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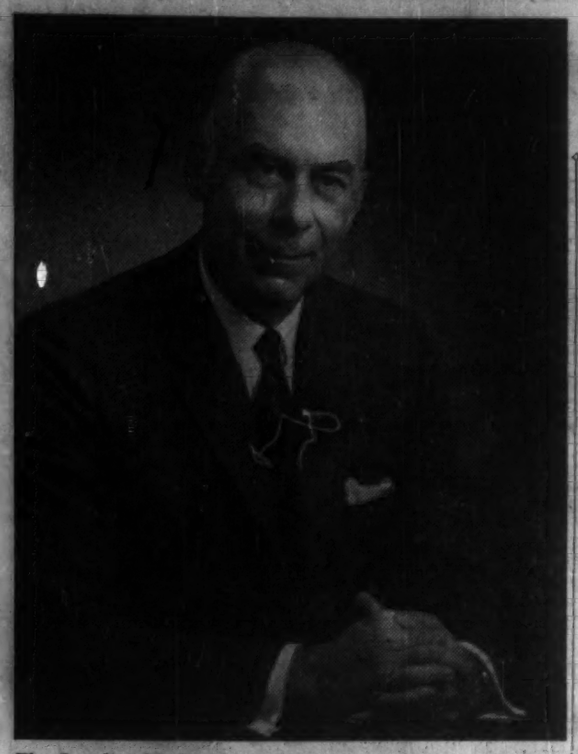
Life Insurance Boom



The Canadian life insurance business seems to be heading for a new record this year. Sales of new life insurance to Canadians during May were $480.6 million, 6.3% higher than a year ago. Arthur Ross Poyntz, 50, new president of the Canadian Life Insurance Officers Association, is chief spokesman for the industry. His 65-year-old organization serves as the central source of information for life companies in Canada. He's also president of Imperial Life Assurance Co., Toronto.

NATION'S BUSINESS

Paying the Price For Fast Growth

If the public relations of the Canadian Senate were better, the hearings of its finance committee on the threat of inflation would have attracted far more attention than they have. The committee has taken its work very seriously. They have heard a very interesting lot of testimony. There's a capsule report of it on page 7 of this issue.

One of the most striking things, which may escape notice because it was expressed implicitly more often than explicitly, was the almost unanimous view that the capital expansion boom of 1955 to 1957 was an "excess", which we do not want to repeat.

The important sample of thoughtful Canadians who testified was by no means dazzled by what Arnold Hart called "our fascinated preoccupation with our brilliant future".

Exporters, well represented by the Metal Mining Association and the Pulp and Paper Association, were more critical of the exchange premium on the Canadian dollar.

But nobody said the premium was good for us. It results, of course, from the rate of capital inflow which supports—or sometimes promotes—an "excessive" rate of expansion.

When a country tries to buy more goods and services from abroad than it can pay for, its proper corrective, if it has a free exchange rate, is a declining value for its currency. This makes foreign goods more expensive.

Notable Record of Ingenuity

But our consistent inflow of capital reverses this natural corrective. It maintains the premium on the Canadian dollar and brings in a flood of imports. These imports, it is said, are anti-inflationary. That means we use our overvalued dollars to buy American goods for less than Canadian goods, but we do so at the expense of Canadian manufacturers and exporters.

Some theorists applaud the premium on the dollar because it brings in cheap imports which tend to hold our prices down, but if we were not using too much of other people's capital, our resources would not be overstrained, we would not be suffering from inflation, and therefore we would not need the cheap imports which the overvalued dollar brings in.

R. M. Fowler, president of the Canadian Pulp and Paper Association, after describing this situation, hastens to deny he wants exchange controls. And Douglas Gibson, general manager of the Bank of Nova Scotia, properly points out that a fixed exchange rate might be impossible to maintain.

If only Canadian credit were available at the same rate as a New York loan, says Mr. Fowler, the capital inflow could at least be checked. But it is cheaper to borrow in New York only because more credit—which means more savings—is available there.

Every witness recognized that we need some foreign capital. The problem is to get enough without getting too much. Obviously there is no easy answer. But there must be an answer.

Surely our financial pundits—in the finance department and the Bank of Canada—with their notable record of ingenuity, can find it. In so doing, they would solve a major part of our inflationary problem and re-establish Canadian control over the economy.

If we can't find a way to do this under our present system the danger is that we will do it under a socialist kind of scheme. Those who believe in freedom had better get in first, while they have the ball.

• • •

They Rage; You Pay

In the tangled, troubled and usually highly emotional area of federal-provincial relations, no matter causes so much heartburn as the problem of dividing up the national tax take.

But politicians and taxpayers alike might as well get used to it—it's a chronic malady in a federal union. And, the taxpayer might as well get used to something more—being the forgotten man. Each time these matters are up, he can expect soon to have more feathers plucked.

What makes the problem of re-allocating total tax revenues so difficult is the fact that each side has a good deal of reason in its arguments.

The Ottawa meetings this week of provincial treasurers—plus a few premiers—is a case in point. There is no doubt about the provincial leaders' growing need for money to finance their lists of apparently urgent needs in a fast-expanding economy. And no one will gainsay the federal minister's need to keep the lid on federal outlays to cut his inflationary deficit.

But the taxpayer should realize that any discussion of re-allocating national tax revenues is essentially a discussion of how much more should taxes go up. There's not a ghost of a chance that federal spending would go down if Ottawa helps provincial spending to rise.

On a per capita basis, total spending by all governments in Canada cost taxpayers $433 in 1955 and although statistics aren't available, the current figure is no doubt higher. This is exactly four times the cost of our governments before the war.

The taxpayer who provides all the funds, no matter who spends them, should not be diverted from the fact that it is his personal tax bills that are really being discussed when Ottawa and the provinces rage furiously at each other.

In the shuffling of funds among the various levels of government, we may as well realize most decisions on who gets what will be based on political considerations. The taxpayers' only recourse is a very stiff, constant and suspicious questioning about all government spending.

RICH MARKET

Our Engineering Skills Hot Seller In U.S. Industry

There's lots more room in this big market for Canadian know-how . . .

Are Canadian engineering firms missing a bet in the U. S.?

A number of consulting engineers, large and small, are hitting at this rich market for our technical know-how.

But there is room for more development of this market by firms able to offer specialized service, observers feel.

One Canadian firm cutting a swath south of the border is **A. M. Lount & Associates** of Toronto.

"Between 50% and 60% of our business originated in the U. S. last year," Murray Lount says.

More about our engineers abroad, p. 24 .

His success hinges on high specialization in a new and growing field: Electronic computer installations.

"Canadian firms should specialize and become as proficient as anyone, anywhere, in their particular fields," Lount believes.

He finds the U. S. receptive to Canadian talents, with the southern states particularly friendly.

Several other Canadian consulting engineers have footholds in the U. S., a number maintain offices there.

Firms like **Stadler-Hurter International Ltd.** of Montreal, **Roy W. Emery Ltd.** of Toronto, **Sandwell International** and **Howard Simons** on the West Coast, carry out U. S. work along with projects throughout the world.

Smaller firms are also having success.

It adds to several millions of dollars worth of U. S. construction and engineering work which are under the technical control of Canadian professional engineers.

Lount, who specializes in writing programs for electronic computer applications, can see potential for more U. S. development by Canadian firms.

But an effort must be made to win a place in U. S., and Canadian engineers must recognize that U. S. procedures are different.

Some larger Canadian firms are apparently not aware that the U. S. is open territory to them, Lount believes.

In terms of know-how, working abroad is a two-way street.

"We have brought back many ideas from U. S. for application in Canada," Lount says.

EXPORTS?

Companies Jockeying For F-104

By MICHAEL BARKWAY and CLIVE BAXTER

Cost accountants were at the controls in Canada's big three aircraft companies this week.

Their target: The 200-plane order for Canada's squadrons in Europe.

An additional incentive: The possibility of export orders.

The plane is the U. S. **Lockheed's** F-104G—what Lockheed describes as a "multi-purpose" fighter based on the 1,400 mph F-104.

Orenda Engines Ltd. at Malton, Ont., subsidiary of **A. V. Roe Canada Ltd.,** is almost certain to get the contract for the General Electric J79 jet which powers the plane.

Avro Aircraft, Canadair of Montreal and **De Havilland** have been invited to submit "proposals" for the manufacture of the airframe.

Total expenditure will be around $400 million.

The export possibility lies in the fact that, under the agreement between the Canadian government and Lockheed Aircraft Corp., Canada becomes the North American producer of the Mark G version of the F-104.

West Germany will hold European rights, but Canada could sell to other nations.

The USAF is now evaluating the 104G for its own purposes, and FP understands that if there should be a large order for the U. S. force, Canada could expect between 20% and 30% of the work.

(For details on how and why the "manned missile" was chosen for Canada's NATO squadrons, see p. 3.)

Aluminum Insert Canadian 'First'

This week in FP: The first full-color, full-page aluminum foil advertisement ever to appear in a Canadian newspaper.

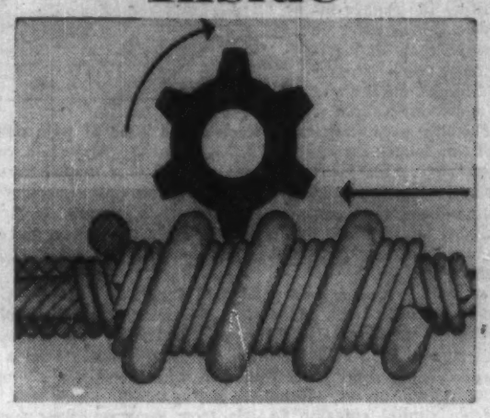
Advertiser: **Reynolds Aluminum Co. of Canada.**

To produce this Canadian "first", Reynolds printed the foil side of the advertisement in six colors.

Then more than 25 mi. of full-color aluminum foil were delivered in mammoth rolls to FP for insertion in the run of press.

The newsprint side of this special ad was printed separately by FP on its regular issue press run.

Inside



Inside Story of a 'Sleeper' Stock

Meet Teleflex Ltd., a Canadian company with a staff of six, whose U. S. subsidiaries have pushed the stock from $3 to $35. ..... p. 25

Ingenuity in Medicine Hat

This 74-year-old manufacturer has made ingenuity pay off. Here's a story of diversification in smaller business. What Makes Success. ..... p. 19

Everybody Wants Vancouver Land

Well, almost everybody. Here's a special report on the real estate picture in our West Coast metropolis today. ..... p. 27

Finance's Fantastic Fenston

Meet the man who may change the pattern of Toronto downtown real estate. He has done many things in his day, and now he wants to relocate the Toronto Stock Exchange. ..... p. 48

Steel: Feature Report on a Giant

Here's FP's annual feature report on our steel industry. The companies, the trends, the facts. ..... pp. 49-70

Wengren to Link U.S. with Alaska

Wenner-Gren Railway and Peace Power project will touch off Western Canada's biggest building boom . . .

From Our Own Correspondent

VANCOUVER—The **Wenner-Gren** railway through northern British Columbia aims to be — and probably will be — part of the coming main U. S. rail link with the new state of Alaska.

When construction begins in the early summer of 1960—coinciding with the start on the huge Peace power project—the combination will probably touch off the biggest construction boom in Western Canada history.

The "General Route" for the rail link has been selected, and will run through central B. C. to the Yukon border, rather than through northeastern B. C. near the Alberta border.

It will run from a point north of Prince George northwestward to the Yukon.

The new link will add better than 500 mi. of steel to B. C.'s rail system tapping country known to abound in asbestos, nickel, silver, lead, gold and molybdenum. (**Cassiar Asbestos** is in this region and may well be a way point on the line.) The eastern route would have taken it through B.C.'s oil-gas belt.

Wenner-Gren officials have already conferred with U. S. representatives in Washington.

Significantly, Col. Sidney Bingham, who is supervising final choice of the Wenner-Gren railway, is an expert in military transport, a past advisor on railways to the U. S. and other governments.

Because of the strong U. S. interest in the proposed line, it will likely be conventional rail —ruling out the long-mooted monorail, which Swedish industrialist Axel Wenner-Gren was known to prefer.

It would link with the PGE, which has Vancouver as its southern terminus.

While Wengren officials declined to divulge the route more

(Continued on page 8, col. 4)

WORLD MARKETS

Saskatchewan Potash: Big Orders for Japan

By W. L. DACK

Saskatchewan potash is on the move to far-flung world markets.

Contracts have been completed for bulk sales to Japan. First shipments start across the Pacific this month.

Potash Co. of America — first Canadian producer — also has eyes on promising new export markets in other Far Eastern countries and Australia.

First shipments have recently been made to the U. S.

Company has orders from Japan for sizeable shipments of muriate of potash for delivery in July through December, 1959.

Outlook: Bright for a continuation of this business next year.

Approval of the 1959 purchase agreement by the Japanese government and the private buyers means that Canada will be one of the major sources of supply for the heavy annual Japanese requirements.

Japan — which must import practically all its potash — has been buying from other Asian countries; sometimes from European sources.

This year, Japan signed a deal with Russia, too, for big potash supplies from Siberia.

Completion of a bulk loading dock at Vancouver this fall should improve Potash Co.'s competitive position in Far East markets.

On this continent, Saskatchewan potash will be competitive with the long-worked deposits of New Mexico as far south as Virginia.

Substantial shipments have been made to Eastern Canada this spring — replacing former imports from the New Mexico deposits.

Recently first shipments went to British Columbia.

Canadian Firm Outfights U. S. for Iran Power Job

By FORBES GILBERTSON

A Canadian company has won a $500,000 contract for electrical equipment in face of stiff competition from major competitive U. S. manufacturers.

Eastern Power Devices Ltd., Port Credit, Ont., won the contract for power switchgear and generator buswork for a proposed hydro project in Iran.

Promoted by **Esso Oil Co.,** of the U. S., which has large investments in Iran, the scheme has been approved by the Iran government.

It calls for creation of a large artificial lake on the headwaters of the Eastern Tigris, which will be used for both power and irrigation purposes.

In submitting its tender to the New York firm of consulting engineers in charge of the project, Eastern Power Devices suggested changes which meant more costly equipment than the specifications called for.

The Canadian company felt that the equipment offered a higher degree of reliability for the future power station.

President W. J. Gilson was called to New York to defend his recommendations.

The result: His company won the contract over lower bids tendered by U. S. firms.

(Continued on page 8, col. 3)

VERY COMPETITIVE?

'Little Guy' Retailers Into Finance

Watch for this new finance company, backed by independent merchants. It's about to jump into a big market. It could boom small town sales, compete with heat against the big finance firms . . .

By RAY MAGLADRY and FP Correspondents

Independent retailers are planning to get into the finance field.

A proposed new company would provide financing on instalment sales for members of the Retail Merchants Association.

The rates?

"They'll be competitive with going rates," an association official says.

"But it's not the plan necessarily to undercut such rates," he adds.

However, there is a belief in some quarters that rates may be "very competitive."

Here are typical "effective" rates of interest on a $500 contract repaid in 12 months:

Chartered bank, personal loan	11%
Department store time purchase	14%
Acceptance company, on car purchase	19%

The service would be available to all RMA members, about 40,000 merchants across the country.

"The idea is chiefly to fill a gap for members. It's main impact would be outside the major centres where such a gap exists, although big-city members would be able to use it too," according to the association.

Controlling interest in the new company, when it is formed, would lie with the association. Shares would be offered to members through RMA provincial bodies.

It's understood some shares would be sold publicly.

A committee of the association is now studying details of the plan, should make a report by September. From then on, the project should go ahead quickly.

In retail trades, big percentage of instalment and charge sales are accounted for by furniture, appliance, radio and jewelry stores.

Normally, cash sales account for around 66% of all retail sales, with 12% through instalment and 22% charge sales.

Instalment sales by furniture, appliance and radio group run 45%-50% of total, and charge sales account for about 20%.

Here are latest DBS statistics on retail consumer credit outstanding:

	$ millions
Department stores:	
Charge accounts	43.2
Conditional-sale agreements	172.3
Other instalment receivables	32.1
Sales finance companies	1,000.5

U. S. Furor May Snag Our Mink

From Our Own Correspondent

WASHINGTON, D.C. — U. S. protectionism may endanger the $10 million worth of mink skins Canadian breeders send to the U. S. each year.

U. S. mink breeders have been pleading for import restrictions.

They've taken their plea to the U. S. Tariff Commission which soon will decide whether to impose a quota and/or a higher tariff rate.

About 2.5 million mink skins come into the U. S. each year, while the U. S. breeders provide the market with 4.5 million skins.

At present there is no tariff on undressed mink and most of the imports come under this category. For dressed skins there is a 7.5% ad valorem tariff rate.

Mink comes into the U. S. from Sweden, Norway, Finland and Denmark, as well as Canada.

The Canadian share has been increasing in recent years, and the trend is toward more imports from all countries.

This trend has worried U. S. breeders who are asking for a quota of about two million to 2.5 million undressed skins entering duty free.

And they want a tariff on anything above this figure set at 40%-45% ad valorem.

How Much Boom?

The Outlook

An FP roundup of the latest facts and expert opinion on the economic weather ahead . . .

BY DALTON ROBERTSON

In both Canada and the U. S., business and government can **expect to have to cope with another recession starting early in 1961.**

That's a long-term forecast heard more and more often from experts in the North American business cycle. It gives the economy another 18 months or so of expansion before the crest of the boom is reached—and breaks.

Specialists in business trends on both sides of the border believe that the first third of the present expansion is over. And judging from its characteristics, the **current period of growth will be in total about 30 to 32 months long**—a fair average when compared with prewar and postwar expansions.

In Canada, recent expansion has been rapid. Industrial production has advanced some 10% from its recession trough. Gross national product came up 6% between early 1958 and early 1959. Retail trade, reflecting rising incomes, is currently riding 5%-6% higher than a year ago. Unemployment is now a smaller proportion of the labor force than a year ago—even at mid-May when the last figures were published, it was down to 5.4% vs. 6% a year before.

But the prospects now are for a slower rate of growth in the months ahead, although GNP, which is a very broad gauge of activity and not one which anticipates trends, will probably continue to turn in a good performance. General Research

(Continued on page 8, col. 1)

Big Oil Play In the Gaspe?

Watch for a big new oil play in the Gaspe area of Quebec.

Big names like **Imperial Oil** and **British American Oil Co.** have made bids for large blocks of land. They plan to start exploring soon.

B-A is reported to have applied to the Quebec government for a permit covering around one million acres in the area.

Imperial Oil is after a 300,000 acre farm-out in the east-central Gaspe district—some 30 mi. from the coast—from an already established firm there associated with the Paul Payette interests.

Other companies are also seeking land in the area.

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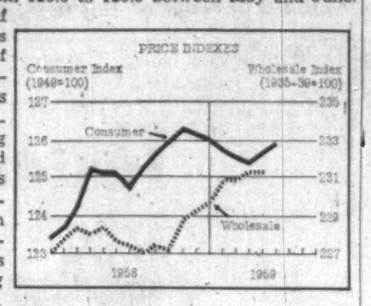
Trend of Business

Living costs continue higher. Canada's consumer price index (1949=100) rose from 125.6 to 125.9 between May and June. Sharp seasonal rise of 35% in potato prices accounted for most of the food index increase. Higher rents associated with traditional May 1 moving date and increased fire insurance rates lifted the shelter index. Spring sales on suits, coats and cotton piece goods brought the clothing index down slightly.



Carloading pace slackens in week ended June 21 with number of cars loaded dropping to 79,233, down 3.6% from like week a year ago. This year's loadings to date of 1,709,737 cars are slightly below 1,712,693 cars last year. Moving in greater volume during the week were iron ore, crude gypsum and lumber, timber and plywood. Fewer cars were used for wheat and other grain, coal, non-ferrous ores and concentrates and local merchandise.

Overseas wheat sales show good gain. Export clearances of Canadian wheat in week ended June 17 rose 29% to 6.6 million bu. from 5.1 million bu. in same week last year. Total clearances in current crop at 222 million bu. are 7% lower than a year ago. Visible supplies of Canadian wheat on June 17 totaled 363 million bu. vs. 360 million bu. at this time last year.

Foreign capital entering Canada from security transactions in April was down 15% at $34 million from $40 million the month before. Net sales of Canadian stocks contributed $18 million. Net movement of Canadian securities was $19 million to the U. S. and $9 million to overseas countries. Return of $6 million Canadian capital reflected mainly resale of U. S. stocks to residents in that country.

Exports of barley, rye and flaxseed increased in first three quarters of current crop year over like period last year, but sharp drop in sale of oats (5.9 million bu. vs. 17.7 million bu.) brought total exports down 10% to 64.2 million bu. from 71.3 million bu. a year ago. The U. K. was the leading market for oats, barley and flaxseed.

Fish harvest declines. Sea fish and shellfish catch in May dropped 8% to 112.8 million lb. and landed value was off slightly at $9.1 million. Atlantic coast landings were lower due to sharp reduction in Newfoundland yield. Smaller halibut and herring catches were mainly responsible for west coast decline. Total five months' catch was up slightly over last year at 384 million lb. and $20.7 million.

Fine paper production in Canada totaled 23,864 tons in May, slightly above 23,829 tons in same month last year. Output in first five months was up 7.3% at 117,238 tons from 109,292 tons a year ago. Domestic shipments amounted to 107,980 tons (102,345 tons last year) and exports were 6,714 tons (6,170 tons).

Major Weekly Indicators

	Latest Week	Date Ended	Previous Week	Previous Month	Year Ago
Department store sales, % change from year earlier		(June 20)	+14.1%	+2.9%	+14.7% +4%
Carloading totals		(June 21)	79,233	82,703	73,223 82,229
Eastern Canada		(June 21)	51,235	53,634	48,077 53,078
Western Canada		(June 21)	27,998	29,069	25,146 29,151
Iron and steel mfg.		(June 21)	1,272	1,268	1,075 1,418
Ores, concentrates		(June 21)	9,977	10,925	9,746 8,918
Base metals		(June 21)	688	638	541 517
Lumber, timber, plywood		(June 21)	5,934	5,731	4,542 5,020
Cement		(June 21)	1,038	971	765 935
Passenger car production		(July 4)	6,143	8,234	7,756 2,548
Truck production		(July 4)	1,505	1,932	2,013 619
Chartered Banks					
Personal savings	($ millions)	(June 24)	7,116	7,130	7,110 6,662
Loans outstanding	($ millions)	(June 24)	5,957	5,949	5,963 5,118
NHA mtge. holdings	($ millions)	(June 24)	862	856	848 639
Bank of Canada holdings of					
Securities	($ millions)	(July 1)	2,688	2,684	2,684 2,602
Short-term govt.	($ millions)	(July 1)	413	387	429 1,496
Long-term govt.	($ millions)	(July 1)	2,206	2,228	2,186 1,043
Other securities	($ millions)	(July 1)	13	13	13 16
Bank Clearings:					
Montreal	($ millions)	(July 3)	1,272	755	1,145 891
Toronto	($ millions)	(July 3)	1,811	1,305	1,706 1,191
Cdn. dollar (U.S. cents av.)		(July 7)	104.901	104.698	104.085 104.167
T.S.E. industrial index		(July 7)	549.54	537.73	526.17 453.63
Yield 114 stocks		(July 6)	3.99%	4.04%	4.01% 4.57%
Bus. fail. 4-wk. moving av. (no.)		(June 25)	25.2	27.5	23 24.2
Steel ingot production	(tons)	(June 27)	105,894	105,505	108,511 89,771
% capacity		(June 27)	87.2%	86.9%	89.4% 78.9%

Facts by the Month

	Latest Month		One Month Previous	Two Months Previous	One Year Previous
WHAT WE PRODUCE—					
In all industries (Index)	Apr.	161.3	159.4	160.8	148.4
In factories (Index)	Apr.	145.7	143.4	142.7	134.9
Total nondurable goods ((Index)	Apr.	144.4	142.4	142.8	133.4
•Food & bev.	Apr.	133.6	126.4	120.1	125.6
•Textiles	Apr.	129.4	128.2	130.8	106.2
•Clothing	Apr.	116.0	123.5	121.5	110.1
•Chemical products	Apr.	187.0	175.2	182.8	185.9
Total durable goods (Index)	Apr.	147.1	144.5	143.2	136.6
•Iron & steel products	Apr.	138.2	133.3	130.6	124.2
•Primary iron & steel	Apr.	168.0	150.7	147.3	136.9
From mines (Index)	Apr.	237.1	234.8	243.7	217.4
•Metals	Apr.	190.5	189.8	187.4	185.5
•Nonferrous smelting, refining	Apr.	149.9	146.0	133.3	153.7
•Gold	Apr.	109.5	109.7	112.8	111.2
—From farms					
Cattle delivered (000)	Mar.	147	118	138	188
Hogs graded (000)	Mar.	542	618	646	562
•Grain mill products (Index)	Apr.	132.6	131.4	131.4	127.3
—From sea					
•East Coast catch ($000)	May	6,765	4,038	1,777	6,827
•W. Coast catch ($000)	May	2,321	738	670	2,293
—From forests					
Newsprint (000 tons)	May	551	535	512	548
Pulp (000 tons)	May	923	892	853	905
—In powerhouses					
Electricity (million kwh.)	Apr.	8,617	8,813	8,099	7,950
WHAT WE SELL—					
Retail sales ($ millions)	Apr.	1,352	1,343	1,885	1,278
Dept. store sales ($ millions)	Apr.	107.9	101.2	86.0	104.3
Wholesale sales ($ millions)	Apr.	713	706	617	627
Mfrs. outstg. orders ($ millions)	Apr.	2,069	2,082	2,088	2,376
Pass. car sales (units)	Apr.	50,077	41,102	31,270	43,063
WHAT'S ON HAND—					
Mfrs. inventories ($ millions)	Apr.	4,418	4,428	4,440	4,510
Dept. store stock sales ratio	Apr.	2.8	2.8	3.1	2.8
SPENDING, SAVING POWER—					
Labor income ($ millions)	Apr.	1,395	1,371	1,361	1,304
Dividend payts. (Index) (annual rate)	June	300.3	298.3	301.8	310.2
JOBS—					
Persons with jobs (000)	May	5,852	5,864	5,852	5,750
Jobless seeking work (000)	May	334	445	325	370
Do (% of labor force)	May	5.4	7.3	5.6	6.0
CONSTRUCTION—					
•Contract awards ($ millions)	June	327	356	193	288
FOREIGN TRADE—					
Exports ($ millions)	May	435	405	383	484
Imports ($ millions)	May	516	336	441	425
MONEY—					
Money supply ($ millions)*	Mar.	12,777	12,718	12,748	11,630
Cheques cashed ($ millions)	Apr.	21,433	20,262	17,730	17,839
Life insurance sales ($ millions)	Apr.	543	493	506	553
Notice deposits	Apr.	7,787	7,721	7,622	7,012
Current public loans ($ millions)	May	5,952	5,876	5,580	5,244

*Total deposits, less Govt. of Canada deposits, less float, plus notes in circulation outside the banking system.

PRICES—					
•Consumer price (Index)	June	125.9	125.6	126.4	123.1
Wholesale prices (Index)	May	231.2	230.8	230.8	228.3

STRATEGIC MATERIALS—Production and Supply—

	Latest Month		Month yr. ago	Yr. to date	% chge. yr. to date
Steel ingots and castings (000 tons)	Apr	488	378	1,962.1	+18.7
Nickel (000 tons)	Apr.	15.5	14.9	31.1	−19.9
Primary copper (000 tons)	Apr.	32.0	32.4	117.1	−10.2
Lumber exports (millions fbm.)	Mar.	260	290	918.4	+17.6
Lumber (millions fbm.)	Mar.	678	634	1,858.2	+3.9

•New item this week.
Index based: production 1949=100; consumer price index 1949=100; wholesale price index 1935-39=100.

Date of issue for your file, The Financial Post, July 11, 1959.

Look For It Here

July 11, 1959

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N.B. Starts Plan For Hospital Care

From Our Own Correspondent

FREDERICTON — New Brunswick's federal-provincial hospital services plan began July 1, leaving only one province outside the big social welfare scheme.

Prince Edward Island joined the national health plan this week, plans a start on its plan this fall. Quebec's misgivings about Federal "encroachment" on provincial powers have kept it from signing up. However, many observers predict Quebec eventually will join the plan.

New Brunswick's operation is similar to that in Ontario.

Premium payments are $2.10 mo. for single persons and $4.20 for families.

Though the plan is voluntary, almost all New Brunswick citizens have registered for coverage.

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Branches Across Canada

$400 Million Orders Ahead On New Plane

Avro, Canadair and de Havilland compete for 200 airframes, possible exports . . .

By MICHAEL BARKWAY

OTTAWA (Staff) — Canada's aircraft industry and its associated Canadian suppliers will get some $400 million worth of government business in the next two years building a U. S.-designed and U. S.-powered aircraft which was the RCAF's second choice for the re-equipment of its squadrons in Europe.

The order will be for 200 planes, enough for eight squadrons of 18 each, with allowance for spares and peacetime attrition.

It will include the aircraft—**Lockheed's** F-104G: the engine — GE's J79; and nearly all the fire control system and electronic and navigational equipment.

It is intended to build in Canada as large a part of the final product as could have been built here if the aircraft had been designed and developed in Canada.

There are in either case some small items which would be excessively expensive to manufacture here.

Total cost of the 200 aircraft, with usual spares and maintenance kits, is likely to be rather more than $400 million. Some of the money will inevitably go to the U. S. for license payments and components which must be bought there.

But the Government is determined to build in Canada everything that can reasonably be made here and the total payments to Canadian industry won't be far from $400 million.

Clearly and absolutely excluded from Canadian manufacture are the weapons of the new aircraft.

For its weapon is an atomic bomb.

Virtually unarmed itself, the plane will rely on its speed and superior performance to bring it back from sorties behind enemy lines.

Besides building nearly everything for RCAF use, Canadian manufacturers will supply some part — possibly as much as 20% — of all the Lockheed F-104G airframes built in the United States.

This is part of the deal. The 20% estimate comes from the Lockheed Corporation; the final figure depends on contracts not yet completed.

And this latest expression of "production-sharing" may mean far less than you would think.

The total assured U. S. production of 104G's is barely a third of the RCAF requirement. It comes to 66 aircraft.

The Lockheed Corporation is to make a preliminary batch of 66 models for the West German air force. After that Germany goes into production for itself, and will build several hundred.

The best informed people here do not pin much hope on the chance of any further substantial orders for U. S.-built F-104G's. But of course the USAF, or other countries, might go for it — once they have seen it in operation.

So there is some chance — even if it is an outside one — of substantial Canadian business as exclusive North American supplier of certain new parts for the 104G.

The Canadian "exclusives" are expected to be certain parts of the fusilage wings, empannage, and parts of the tail assembly.

Germany has already bought the Canadian-designed and built "Position Homing Indicator" from **Computing Devices of Canada Ltd.** This will also be fitted to Canada's 200 planes. (FP, July 4).

Three aircraft companies are in competition for the prime contract on the airframe. They are **Avro Aircraft, Canadair,** and **De Havilland.**

DDP has invited these three to submit "proposals", from which it will choose one.

The idea of a "proposal" is a little wider than a tender, in which price is the predominant question. Price is of course crucial: but the government also includes in its request for "proposals" a good deal of other information including the proposed sub-contractors.

The manufacture of the engine (GE's J79) is not being opened to competition in the same way. **A. V. Roe's** subsidiary, **Orenda Engines,** is being given first chance at it. If a price can be agreed between this company and DDP, the engines will be built in its Malton plant.

If Orenda's price is not accepted, however, the government has alternatives. First to be mentioned is **Canadian Pratt & Whitney.**

The request for "proposals" on the airframe is new to Canada, and there is some question here about how well it will work. On the face of it, Canadair appears to have the edge over Avro, simply because its plant is fully staffed and working.

This might mean that Canadair would not need to charge so much overhead to the 104 contract as Avro would.

Another point causing concern here is the possibility of one of the companies having its price below a realiste level.

In the normal course, a number of modifications must be expected during production; and officials don't want to be caught with excessive extra charges later to make up for the too low original bid.

Inclusion of De Havilland in the competition surprised some observers, who thought the government would not want to contract with a third aircraft plant, when it already has two which it cannot keep fully occupied.

It remains true, too, that the government does not want to encourage De Havilland into the field of so-called "big time" aircraft. Official quarters have long admired the way the company has developed a field of its own where it doesn't have to challenge the big U. S. manufacturers on their own ground.

But no doubt is felt that De Havilland has the capability: so it has its equal chance with the others.

It probably would have to do more sub-contracting than Avro or Canadair: but from the point of view of public policy that might well be an advantage.

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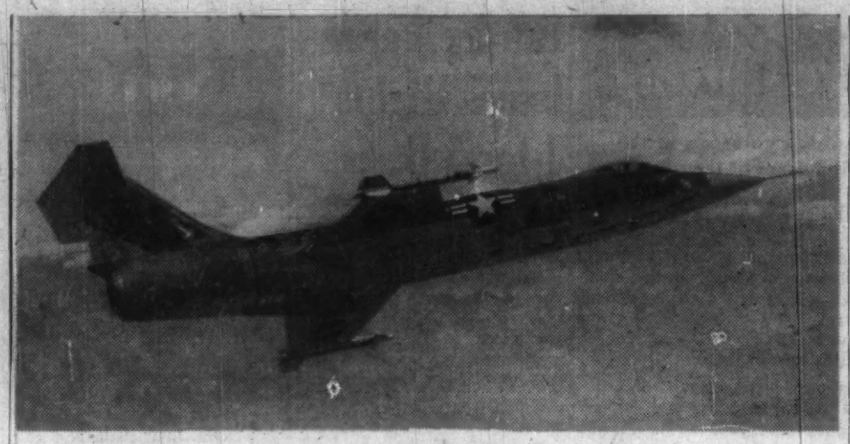


The U. S.-designed Lockheed F-104 Starfighter is virtually a manned missile.

In basic design, shown above, it is a single-seat fighter, 54 ft. 9 in. long, 13 ft. 6 in. high, with wing span of only 21 ft. 11 in. (A small Cessna 172 private plane has 36 ft. wing span).

Early model of the F-104 holds the world's official speed record at 1,404.9 mph; it can climb to over 40,000 ft. in just over 100 seconds, and has reached an altitude of 91,243 ft.

In its basic form (without optional electronics equipment), it is probably the cheapest modern fighter on the market, at around $750,000.

Commenting on an opposition charge in the House of Commons that the General Electric J79 jet engine had a "short life" of 100 hours, a spokesman for GE in Cincinnati told FP that the official overhaul life set by USAF now stood at 300 hours, and was being regularly extended.

Here's Why 'Manned Missile' Was Chosen for Europe Job

OTTAWA (Staff) — Why the F-104G? What made the Government choose this particular U. S. aircraft out of nearly a dozen propositions examined?

During debate in the House of Commons Opposition leader Pearson repeatedly questioned the reasons for the choice; and one member, Paul Hellyer, Toronto Liberal, declared the plane was unsuitable for its proposed role, accident-prone, and liable to engine overhaul far too frequently.

Here is an explanation of the way the choice was made:

First choice: Republic's F105.

The **Lockheed** F-104G was not the first, but the second, choice of the air force experts. If they had had an entirely free hand, regardless of cost, they would have preferred the **Republic** F105.

The Republic 105 is, indeed, almost the only one of the dozen planes considered which is already on a production line. It is going into service with the USAF, and it would have been suitable for RCAF use without modification.

It was ruled out on grounds of cost. It is a much bigger aircraft than the Lockheed 104, and its price (as stated here) would have been half as much again: around $3 million per copy.

The president of the Republic Corp., Mundy Peel, made a last-minute bid to overcome his price disadvantage by proposing that the Canadian version of the 105 should be powered by **A. V. Roe's** Iroquois jet engine. There was even some talk about buying the Iroquois to put into some of the later U. S.-built models.

This suggestion made little appeal to the government, which had stopped work on the Iroquois three months before. Two reasons are given:

- The Iroquois engine has not yet been flown under its own power: only tested in a big U. S. bomber. It might have been three years, authorities here guess, before it could have been operational.
- To adapt the Republic F105 to the new engine would also have involved a long and expensive process of redesign, with yet more headaches, money and time.

All other planes needed development.

None of the other planes considered are in production in a form suitable for the RCAF's needs in Europe.

The **Grumman** "Supertiger" existed in two test models, which RCAF pilots tested. But it lost its chance when the U. S. Navy (which uses the earlier Tiger model) turned it down. There's many a modification and many a "bug" liable to intervene between a prototype and an assembly-line model.

The **Northrop 156** has not yet flown. Some airmen called it a "souped-up version" of a trainer, with performance rather below what the RCAF wanted: though it had the advantage of being the cheapest type considered.

The proposed U. K. models, **Blackburn** NA39 or 109, both involved considerable modification of existing types; and their cost was considered too high.

The French "Mirage" did not appear suitable to adapt for the purpose required.

The **Fiat** G91, which won a NATO competition started some years ago for a "strike fighter", is a smaller plane intended for the direct support of land troops. Although its purpose sounds almost identical with the role proposed for the RCAF squadrons in Europe, it is really quite different, authorities say.

Compared with all these, it was felt that the Lockheed plane was nearer actual physical existence.

Although the version adopted — the 104G — still exists only on paper, Canadian pilots could test the 104C and the alterations are not considered so drastic as to alter their view of the attractions of the 104G.

Another strong point in favor of the Lockheed 104G is that the West German Air Force adopted it a few months ago. The first 66 models for Germany will be produced by Lockheed in the U. S. After that production will be in Germany.

The redesign necessary for the required modification of the versions known as 104C and 104E, will not be a Canadian headache.

It is to be done by the Lockheed Corp. at the joint expense of Germany and Canada. Its purpose is to strengthen the wings and adapt the tail assembly to remove some of the objections which Mr. Hellyer raised in the Commons. The changes, said Defence Minister Pearkes, will make the G version entirely stable.

New role: Atom bomb carrier.

The role which eight out of the 12 RCAF squadrons in Europe are to fill with their new aircraft is usually — and misleadingly—called "strike reconnaissance".

It is not the very close support of troops. Nor is it interception of enemy planes. Nor is it ordinary reconnaissance by means of photographs.

Even more misleadingly, the plane type has sometimes been called "low level strike fighter". But no military jet operates for very long at low levels. Even on a short sortie it climbs sharply to 30,000 feet or so and then swoops down on its objective.

The function of the new RCAF plane, as the authorities explain it to a layman, could better be described as "tactical atom bomb carrier".

Its object is to attack installations and military targets well behind the enemy front with what are now called "small" atomic bombs. Its radius (though not revealed officially) should be up to 700 or 800 miles.

Its method of operation will be to fly in at high altitude, swoop down to discharge its bomb, and then make the quickest possible getaway at high level.

This is why the high performance of the F104 is considered an advantage. On its sorties into enemy territory it will be undefended, relying on its speed and manoeuvrability.

Such a description of the intended role of the new plane explains the apparent contradiction which the critics found so incomprehensible.

At first sight the role of "strike fighter" appeared to require quite opposite qualities to those of a record-breaking day fighter, which the original F104 was. **But, for the real purpose of delivering tactical atomic bombs, the air force experts want all the qualities of a day fighter plus some others.**

They believe the modifications proposed for the 104G will retain as much of the 104A's performance as is compatible with the addition or adequate navigational equipment and the general "thickening-up" required for the rapid swoops and climbs of a "strike" aircraft.

U. S. Air Force Studying Mark G

By C. KNOWLTON NASH

WASHINGTON, D.C. — The U. S. air force has been flying operationally the Lockheed F-104 for more than a year.

The specific version Canada is buying, the F-104G, has not yet been purchased by the USAF, but Lockheed has a proposal before the air force which is undergoing evaluation.

Lockheed officials say the F-104 will be modified in the "G" version so as to make it a highly effective low level strike plane, an interceptor or a fighter bomber, depending on the weapons system used.

"In other words we've made it a multi-purpose fighter," Lockheed says.

Lockheed designed the "G" version specifically for the West Germans.

It is considered here that it will be valuable to have the Canadian European squadrons flying the same kind of plane as the Germans because it will make repair and spare problems easier.

An F-104F being built for the West Germans is a two seater version of the "G".

Some observers in Washington feel a major reason Lockheed got the contract with Canada was that the company offered the best deal for passing business on to the Canadian aircraft industry. Lockheed, however, says the deal was made because the Lockheed plane was the best available.

The F-104 has had a large number of dramatic air accidents and a relatively high death rate.

Its accident rate as a whole, however, is not high.

In the first year of operation, the F-104 has had an accident rate of 56.7 per 100,000 hours. This compares to a rate of 115 per 100,000 hours reported in the first year of operation for the F-100.

The fatality rate for the F-104, however, has been higher, with 28 the first year compared to 11 for the F-100.

In the first year, the F-104 had five accidents due to power failure in the J-79 engine made by General Electric. Captain Alven Kinchloe, the man destined to ride the U. S. X-15 into space, died in a F-104 accident some time ago in California.

Kinchloe had trouble in getting out of the plane.

The aircraft Canada is getting will have one new feature to ensure a faster and safer ejection. The F-104's have had a downward ejection, but the "G" version will have an upward ejection which is considered an added safety factor.

The F-104 scored highly in a recent Air Defence Command exercise at Tyndall Air Force Base in Florida. The plane had the best intercept record in the exercise and the best record of commission capability. The F-104 squadron made 241 successful intercepts without an abort and had an over-all intercept record of about 98%.

Lockheed recently obtained a contract from the Air Force to turn the 1,400 mph jet fighters into missile targets. These targets will cost about $1 million apiece. Four of the F-104's will be developed into unmanned drones. If the drones prove successful, more may be produced. The missile targets would be recoverable if not hit.

The U. S. Air Force has been stretching out its purchase of F-104's recently, but the Pentagon says this is only part of the general stretchout in purchase of all kinds of manned aircraft.

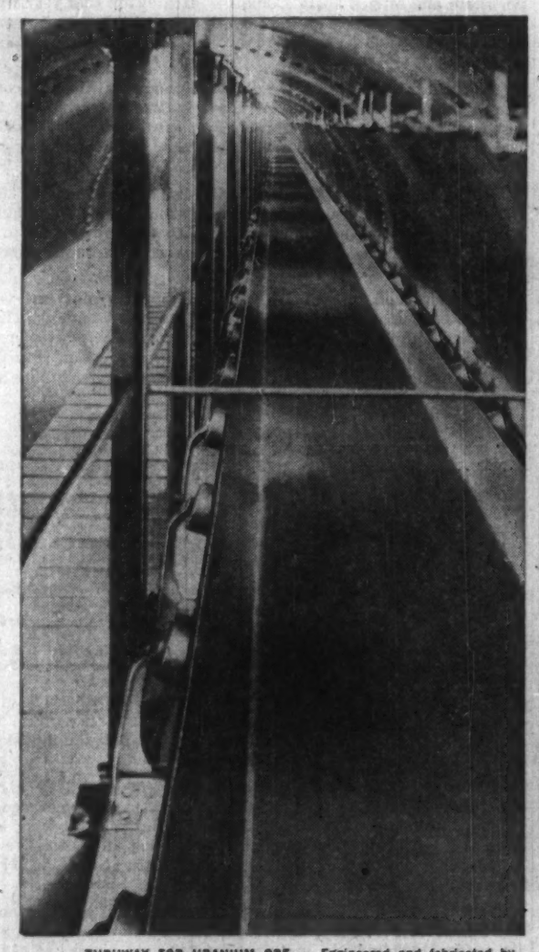
114 Stocks Yield Averages 3.99%

The average yield on 114 dividend-paying stocks on the Toronto Stock Exchange, as compiled by **Moss, Lawson & Co.,** on the prices of July 6 was 3.99%, off .05% from the previous week.

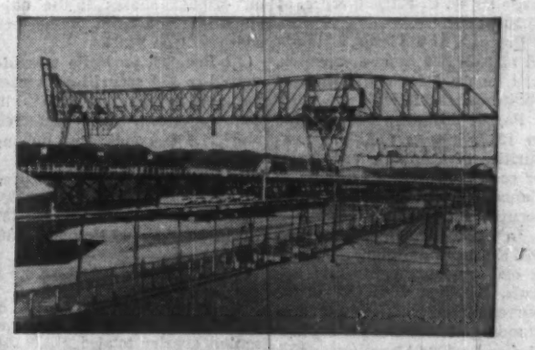
The current yield compares with 4.01% one month ago and 4.57% in the corresponding week last year.

Here is the yield by the various groups:

	July 6	Week Ago	Month Ago	Year Ago
Common	3.54	3.60	3.59	4.26
Pfd. & A	4.80	4.74	4.71	4.92
Mining	4.83	4.93	4.83	5.36
Banks	2.83	2.88	2.83	3.40



THRUWAY FOR URANIUM ORE — Engineered and fabricated by United Steel, this belt conveyor lifts uranium ore 105' from transfer house to storage bins at Consolidated-Denison Mines Ltd.



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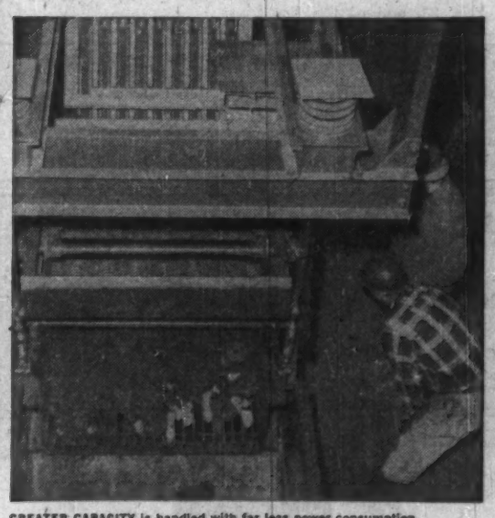

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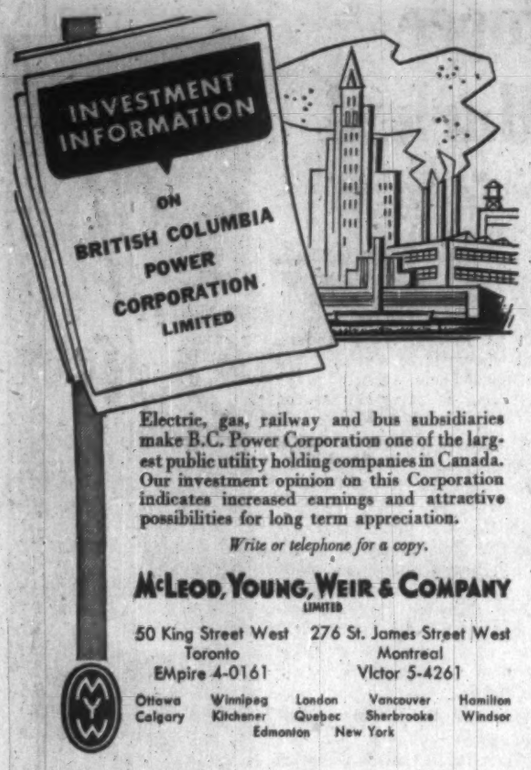

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Why They're Moving

Facts and comment on what's going on in the market and rumors behind some of the moves.

By RODNEY TOUCHE

Since last week's announcement of the planned merger of **MacMillan & Bloedel** and **Powell River,** the stocks of both companies have slipped back. Immediately after the announcement, MacMillan & Bloedel's B stock reached a high of $45¼ (from $38 a week earlier). It is now back to $41½ mid-week. Powell River reached $42½ (from $40). It is back to $36½.

The moves of the two stocks emphasize the difficulty of evaluating the merger proposal, which itself equates one M & B share with 1 1/6 Powell River. This implies that if M & B's stock is $42, Powell River's should be $36.

A second yardstick is that, under the proposal, equity interest in the new company will be held 59.4% by M & B shareholders, 40.6% by Powell River's.

The books show M & B's assets at more than double Powell River's ($192.2 million vs. $93.7 million), its sales last year at nearly triple ($160.5 million vs. $55.6 million) and its equity per share at $26.36 compared with Powell River's $16.72.

But Powell River has consistently demonstrated strong earning power. Net profit last year was 13.7% of total sales. The average profit ratio of the last four years, the only period in which sales have been stated, was 14.3%. M & B profit last year was 5.05%. Its average for the last four years: 8.1%.

The proposed equity interest in the new company, divided roughly 60%-40% in M & B's favor, corresponds accurately with the relative contribution that the two companies have made in the past to total earnings.

Last year's M & B earnings represented 51.6% and Powell River's 48.4% of their combined total earnings. But Powell River's proportion was higher than it would have been in any previous year. The average contribution that the two companies would have made in the last five years works out at 58% M & B, 42% Powell River. Even closer was both companies' peak year, 1955, in which the ratio worked out almost exactly 60%-40%.

Estimating what the merger might mean, investors have a number of points to consider. Powell River's earnings have followed a more consistent pattern than M & B's; Powell River's stock, until this year, has sold higher in relation to earnings; Powell River's yield has also been higher as a result of a more liberal dividend policy.

Using 1952 earnings as a base, Powell River's earnings climbed to a peak of 53.4% higher in 1955, then subsided to a point 4.2% lower in 1958. On an index of 1952= 100, subsequent years' earnings of the two companies appear as follows:

	1952	1953	1954	1955	1956	1957	1958
MacMillan & Bloedel	100	81.7	91.8	133.2	132.8	72.4	57.5
Powell River	100	122.7	141.8	153.4	137.6	97.9	95.8

Proposed capitalization of the new company totals 21.7 million shares. Powell River shareholders get two new shares for each one now held. M & B shareholders get seven new for three now held.

On this basis, combined earnings of both companies in 1958 was equal to 76c per share of the new company. This is equivalent to $1.52 on Powell River shares and $1.77 on M & B, whereas the individual earnings of the two companies were actually $1.81 by Powell River and $1.54 on MacMillan & Bloedel B.

Last year, however, was the worst year experienced in a decade by either company (due mainly to the industry strike) and it would appear that their peak performances of 1955 have been used as a measure. In that year, Powell River earned $2.90 per share and M & B $3.55. Combined earnings in that year were equal to $1.49 per share on the capitalization of the new company, equivalent to $2.98 on present Powell River shares and $3.48 on M & B.

A significant question is the dividend policy that the new company's management will follow. Powell River's pay-out in the last four years has ranged from 62% of earnings in 1955 to 83% last year. The company has always indicated a policy of paying at least 60%.

In the same period, M & B distribution has grown from 28% in 1955 to 65% last year. The company has not shown any regular policy of relating dividends to earnings. It appears currently to be paying $1.20 (if extra is continued) compared with Powell River's $1.50.

The combined distribution of the two companies last year was the equivalent of 56c per share of the new company. Their peak distribution was equal to 62c. Last year's 56c pay-out represents $1.12 on Powell River's present shares, $1.30 on M & B's.

For further comparison of the two companies' stock, here is a seven-year record:

	—[1]Price Range— M & B	Powell	—[2]Ratio Range— M & B	Powell	—[3]Yield Range— M & B	Powell
1953	115- 89	112- 85	7.6- 5.9	13.9-10.6	5.08-3.90	7.25-5.52
1954	161-100	187-112	13.1- 8.1	19.0-11.3	4.51-2.79	6.12-3.64
1955	261-149	249-170	18.8-10.8	21.8-14.9	3.78-2.16	4.50-3.08
1956	270-139	265-174	13.4- 7.9	21.5-14.1	3.54-2.08	4.39-2.89
1957	197-127	198-131	9.8- 6.3	17.9-11.8	4.45-2.86	4.88-3.22
1958	212-127	168-121	19.4-12.2	21.3-15.4	4.23-2.66	5.26-3.80
1959	256-201	184-151	29.5-23.2	23.9-19.6	3.36-2.64	4.22-3.47
Current	234	155	26.9	20.2	2.89	4.11

Note: 1. Price range of stock is represented as an index based on 1952 closing price=100.
2. Ratio range shows the price range for the year in relation to the preceding year's earnings.
3. Yield range is based on the dividend rate for the same year. Indicated rate for 1959 is MacMillan & Bloedel $1.20, Powell River $1.50 per share.

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Recent trading has seen widespread firmness in industrial stocks, particularly in steels, gas stocks and foods.

Among the steels, three leaders have set new 1959 highs. **Algoma** has moved to $41⅜ from its earlier high a week ago of $39¾, **Dominion Foundries** at $50 has broken through last March's high of $49 and **Steel Co.** has added an impressive $5 to its earlier peak price last week of $80⅜. **Atlas Steels,** at $27⅞, is up from $26 a week ago.

Strength in gas stocks has been most marked in **Consumers** and **Union Gas.** At $44¼ mid-week, Consumers was firmly above its earlier 1959 high in mid-June of $42, and Union, at $18⅜, compares with mid-June peak of $17⅝. Other gas stocks that have climbed up, though not breaking through 1959 highs, are **Northern Ontario Natural Gas,** now $15½ (1959 high: $16¾), **Quebec Natural Gas,** $18⅜ (high: $22⅞) and **Trans-Canada Pipe,** $27 ($31).

Food stocks on the climb are **Dominion Stores,** recovering quickly from its recent downslide from $90 to $65—it's moved back to $75½ since last week—and **George Weston,** its A stock at $42 being close to 1959's peak $44¼.

Among individual issues that are moving, **Dominion Tar & Chemical's** strength this week had investors guessing. Stock has traded in the $16½-$17½ range steadily and at volumes averaging 30,000 weekly since early March. On Monday this week it shot up to $19¾ on a volume of 18,489 shares traded, slightly more than half on the Montreal Exchange. Volume dropped back mid-week with the price holding at $19.

Some street sources ascribe the strength to rumors of improved earnings. Company does not release interim reports and would not comment. Another factor is the acquisition disclosed last week of land at Contrecoeur, the Montreal area's budding steel camp.

Canadian British Aluminium has shown persistent strength sparked by the expansion plans of **Reynolds.** Price of $16⅛ this week compares with $11½ at the beginning of June. **Aluminium Ltd.,** at $35¾, has recovered well from its dip to $26⅛ in early May.

Hardee Farms Issues Rights 1-for-5 Basis

Hardee Farms International Ltd., Toronto, expects to realize more than $1 million for further expansion from a rights offering to shareholders.

Under the terms of the offer, holders of common stock of record at close of business on July 9 will be issued rights entitling them to purchase one additional common share for each five shares held at $11 per share.

Rights expire at 4 p.m. on July 29. The offer is being underwritten by **Dominion Securities Corp.** It will not be registered in the U. S.

Hardee Farms International was formed earlier this year to grow, package and market fruits and vegetables in Ontario, Quebec and Florida (**FP,** March 14). Proceeds of current financing will be used to acquire an additional 8,500 acres adjacent to **Tropical Farms Inc.,** in Florida and to accelerate land development in Ontario and Quebec.

Full development of company's land holdings in Canada and the U. S. will provide potential production of some 750,000 lb. of vegetables per day on a year-round basis, says President Bram Dees.

Production costs have been lower than expected, especially in the Florida milk production operation where costs have been reduced by 35% and output boosted to over 50% above the average for the State.

It is too early to say how earnings will shape up this year, the president comments. However, projected earnings for the next six years are substantially greater than were considered possible six months ago.

With 541,509 common shares now outstanding, a total of 108,301 shares will be issued in the rights offering.

Losie Heads Phone Group

Ralph W. Losie, Edmonton, has been elected president of the Telephone Association of Canada. He is general manager of Alberta Government Telephones.

Vice-president is S. H. Morris, St. John's, Nfld., president and managing director of **Avalon Telephone Co.** John A. Dochstader of Ottawa, assistant to the president of **Bell Telephone Co. of Canada,** was named liaison officer.

Note

By VINCENT EGAN

Rising interest rates have prompted Manitoba to boost its ceiling on support of municipal debenture interest to 6¼% from 5½% (p. 20), and may prompt other guarantor-provinces to do the same.

Municipal borrowers were watching this week's federal-provincial fiscal conference for some new indication of assistance in meeting their borrowing needs. With federal government issues yielding nearly 5.75% in some cases, many municipalities are finding the cost of money prohibitive.

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Rumors are circulating of a **Manitoba Hydro** borrowing late this month, in the neighborhood of $12 million to $15 million.

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Tenders will be opened July 15 on a proposed $3.5 million 5½% serial issue, due 1962-81, by **New Westminster.** Proceeds of the issue, guaranteed by British Columbia, will go toward construction of the Queensborough Toll Bridge.

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W. C. Pitfield & Co. this week offered an additional issue of 70,000 common shares, at $3½, of **Pacific Atlantic Canadian Investment Co.,** a 22-year-old closed-end investment trust with assets of $1.6 million at last report.

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It is expected that a new issue of 120,000 shares of **Emco Ltd.** (formerly **Empire Brass Manufacturing Co.**) will be offered shortly at $14.50 per share, by **Dominion Securities Corp.** and **Midland Securities.**

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Shareholders of **Hardee Farms International Ltd.** are being offered one new common share at $11 for each five held July 9. Rights expire July 29. Offering is underwritten by Dominion Securities.

With 541,509 common shares outstanding, 108,301 shares will be issued. Recent price: $13¾.

The Canadian Economy

A Mid-Year Review

Our July Review and Securities List features a mid-year review of the Canadian economy. Gross national product, employment, consumer income and expenditures and investment are among the subjects reviewed.

Also included is a short discussion on the bond market and a list of securities available for investment.

A copy of our July "Review and Securities List" will be forwarded promptly upon request.

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Rapid Grip Adds to Plant, Makes Dividends Quarterly

Rapid Grip & Batten Ltd. is buying the electrotyping and stereotyping departments of **Murray Printing & Gravure Ltd.**

Rapid Grip says the move will allow the company to expand its services in its own particular fields of the graphic arts industry. It also will allow Murray Printing & Gravure to expand further its printing facilities and provide broader printing services to that company's customers.

Charles Hill of Murray Printing will join Rapid Grip to co-ordinate production and service of electrotypes and stereotypes for customers formerly served by Murray.

Frank Bygrave will continue as superintendent of Rapid Grip & Batten's Toronto electrotyping and stereotyping production.

Rapid Grip has notified its shareholders it will pay future common dividends on a quarterly basis.

In 1958, common dividends were paid semi-annually and totaled 60c per share compared with 50c in 1957.

Next semi-annual dividend, normally payable Jan. 1, 1960, will be divided into equal payments for disbursements on that date and April 1, 1960.

Offer 70,000 More Shares Of Pacific Atlantic

MONTREAL (Staff)—Offering of 70,000 common shares, par $1, of **Pacific Atlantic Canadian Investment Co.** — a closed-end investment fund — is being made by **W. C. Pitfield & Co.** at $3.50 per share.

Proceeds of the issue, estimated at $227,500 before expenses, will be used for acquisition of additional securities.

Pacific Atlantic, incorporated in 1937, invests mainly in securities of Canadian companies or companies doing business in Canada. It also has some U. S. securities in its portfolio.

In May, company issued 70,002 shares to shareholders under a one-for-four rights offering. This, together with the shares currently offered, brings outstanding common share capitalization to 420,012.

In addition, company has outstanding $400,000 3¾% collateral trust bonds due Dec. 1, 1960.

At Feb. 28, end of the first fiscal quarter, fund's net assets were $1,612,821 ($1,411,105 at Nov. 30, 1958), equivalent to $5.76 on the basis of 280,010 shares then outstanding. Based on 420,012 shares to be outstanding, net asset value per share will be $4.92.

At Feb. 28, portfolio was invested in 114 securities, market value of which was 63.5% in common stock, 15% preferred and 21.5% bonds and debentures.

Net income for the three months ended Feb. 28 was $22,817. This compares with $41,587 in full year ended Nov. 30, 1958.

CAMPBELL RED LAKE OUTPUT

Gross bullion production of **Campbell Red Lake Mines** in the second quarter totaled $1,379,804, ahead 7% from $1,285,919 produced in the same period last year. Total of 64,239 tons were milled in the latest period with recovery averaging $21.48 per ton.

Dividend rate on the 30,000 first preferred shares, par $50, of **Union Acceptance Corp.** (**FP,** July 4), was increased to 6¼%, (6% had been talked of in the street). Stock was offered this week at par by **Bankers Bond Corp.** and **Mills, Spence & Co.**

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General Dynamics Corp., U. S. parent of **Canadair Ltd.,** plans to issue 2,064,516 new 5% convertible preferred shares, with a liquidating value of $58⅓ per share, in exchange for the assets of **Material Service** of Chicago. If fully converted, the new stock would give the owners of Material Service an equity of more than 15% in General Dynamics.

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Corporate bond issues in first-half 1959 totaled $157.1 million, down 72% from $560.2 million in January-June, 1958, according to the monthly **Wood, Gundy** compilation. June's total was $16.4 million, only a quarter of the comparable 1958 figure of $64.8 million.

More Molson's In West Soon?

MONTREAL (Staff) — Beer-drinkers and investment men are awaiting a large-scale move into Western Canadian markets by Montreal's **Molson's Brewery Ltd.**

Company comments only that such action will come "in due course."

Meanwhile **Sicks' Breweries Ltd.**—large western brewing firm acquired last year by Molson's — continues to produce only its own brands, with sales reportedly good.

Production of Molson's brands in the West, for sale at local prices, will introduce an important new competitive element.

The nation's three major breweries are becoming hot competitors on a national level. **Canadian Breweries, John Labatt Ltd.** and Molson's all now have large western interests.

Price of Molson's stock has been strong recently. The A moved over $29 from levels around $26, early this week was $28.

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"Important developments can be expected to take place within Canada's natural gas industry when the National Energy Board is established and commences to process the pending applications for export of natural gas to the United States."

So starts an article on Canada's Natural Gas Industry which is featured in the current issue of our "Investment Review". This article deals at some length with such crucial factors as exports and the setting of toll-rates. It also deals with export possibilities and gives pertinent information on the by-products industries.

A second article in this issue discusses Aluminum. Also included are . . . comments on business and finance . . . recent news of Canadian companies . . . a short article on The Avalon Telephone Company, Limited . . . and a list of investment recommendations.

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How Some Bonds Recovered

	Bid Price			Offering Yield		
	July 6	June 17	June 1	July 6	June 17	June 1
Abitibi 6¼% due 1977	102	102	105	5.80	5.80	5.71
Bell Phone 5% due 1972	94½	94	96	5.44	5.44	5.21
Canada Cement 5¼% due 1976	94	96	97½	5.71	5.43	5.34
Consumers Gas 5¾% due 1977	99½	99	101	5.66	5.66	5.47
Gen. Mot. Accept. 6¼% due 1977	101	102	104	5.84	5.84	5.71
Geo. Weston 4¾% due 1971	89	89	92½	5.77	5.77	5.36
Govt. of Canada 4¼% due 1972	91	90½	91¾	5.12	5.14	5.03
Govt. of Canada 3¾% due 1978	83½	83½	85	5.05	5.04	4.90
CNR 5% due 1977	96	94¼	96¼	5.26	5.42	5.24

INVESTMENTS

Is 12 Years Too Long To Double Your Money?

By PAUL S. DEACON

THE powerful performance of the stock market is in sharp contrast with the showing in bonds.

On the one hand, you see super-enthusiasm and optimism about earnings and price prospects for stocks. On the other, gloom and dark thoughts continue to keep bond prices at their lowest levels in years.

The strange thing about all this is that **many of the factors that make stocks attractive to investors, are also factors that should help the bond market too.**

For instance, the improvement in corporate earnings isn't just good news for the country's stockholders. The tax collector has a real interest in that improvement too.

He scoops off half the profit take, after having skimmed off sales tax, old age security and other bits and pieces before the money even reaches the profit and loss account.

Higher earnings therefore are making a real contribution to reducing the government's deficit, and its need to borrow more money. This in turn helps to relieve the weight of future financing that has pushed up interest rates and depressed bond prices.

Increasing prosperity also improves chances of a large sale of Canada Savings Bonds this fall. If this issue is successful, Ottawa won't have to worry about raising much more new money in the present fiscal year. It will merely be a matter of refunding about $550 million short-term bonds due Oct. 1 and $300 million more due Dec. 15, something it should be able to handle.

Rising stock prices every day make the return on bonds more and more attractive.

You can get 5% or better on Canada bonds, 5¼%-5½% on provincial and provincially guaranteed issues. Lots of corporation bonds yield 5½%-6%, and some more than that.

Against this, lots of stocks yield 1%-2%, and unless dividends rise, they may get smaller.

Despite these factors working in favor of bonds, there are enough working against them that investment men are cautious about predicting a turnaround in bond prices.

The prosperity now developing is involving an increase in inventories to handle larger volumes of business. Companies are beginning to step up their orders for machinery and equipment. With bank credit more expensive and more difficult to arrange, they are expected to have to come to the bond market for more money than in the recent past.

The U. S. bond market is weak, and shows little sign of improving. Bond prices in Canada can't move too far out of line with U. S. levels, no matter how favorable conditions here might be.

Because of the premium on the Canadian dollar, investors here have been able to get a bigger return on U. S. treasury bills than our own recently, even though the indicated yield in the U. S. (ignoring the exchange factor) is well below ours.

Present interest rates may look high by recent standards, but even higher levels existed in the 1920s, **Dominion Securities Corp.** points out in its current market letter. They can be explained by market demand for funds, and don't necessarily depend on an inflation psychosis.

The increase in demand for funds, after deducting the increase in money supply and net issues abroad from the total increase in credit, is much greater in this recovery than in the 1954-55 recovery (see table).

The Dominion Securities conclusion:

"Money supply has been held constant since last October. If the economy continues to expand at the current rate, the excess money supply created in 1958 will be worked off before the end of this year.

"Some increase in the money supply will then be in order, but it will probably be restricted to the growth rate of the economy.

"This factor, as well as a sharp decline in government requirements if the Canada Savings Bond issue is a success, and the probability that we will continue to have an orderly as against an explosive economic recovery, could mean that **a more stable bond market is not far away."**

As recently as mid-June, dealers report that it was difficult to market bonds of any kind in quantity. Since then, some large blocks have changed hands and prices are generally higher (see table).

One knowledgeable trader felt the improvement in bond prices would continue through the summer, but he was apprehensive about the autumn. Most duck predictions entirely these days.

You can probably put it down to market moods — which can change very quickly.

At 6% compound interest, it takes 12 years to double your money. In ordinary times, many people regard that as a worthwhile performance.

At the moment, evidently, this looks too long a time for most investors. In their present frame of mind, many seem to believe they can double their money overnight.

This will change, and with it, the bond market.

IT'S BOND TIME AGAIN

An article entitled, "Why are interest rates high?" is featured in our July booklet *"Investments"*. The booklet also includes a representative list of government and corporation securities. Copies available on request.

Bonds Security	Interest Rate %	Maturity	Price*	Yield %
Government of Canada	3	15 Dec. 1960	96.60	5.46
Government of Canada	4¼	1 Sept. 1972	91.75	5.12
Government of Canada	4½	1 Sept. 1983	90.50	5.19
Government of Canada Guaranteed				
Canadian National Railways	5	15 May 1968	99.00	5.14
Canadian National Railways	4	1 Feb. 1981	83.75	5.27
Province of Ontario Guaranteed				
Hydro-Electric Power Commission	5	15 May 1964	98.50	5.38
Hydro-Electric Power Commission	5¾	1 July 1979	102.25	5.54
City of Toronto	5½	1 Apr. 1962	99.75	5.60
Municipality of Metropolitan Toronto	5¼	2 Mar. 1979	95.50	5.63
The Alberta Gas Trunk Line Co. Ltd.	5¼	1 May 1981	95.00	5.64
The Consumers' Gas Company	4¼	1 Dec. 1974	88.00	5.40
The T. Eaton Realty Company Limited	5	1 Apr. 1978	94.00	5.51
Empire Brass Mfg. Co. Limited	5¼	15 Oct. 1973	96.00	5.66
The Great Lakes Paper Company Limited	5	1 May 1976	94.50	5.51
Inland Natural Gas Co. Ltd.	6	1 June 1982	98.00	6.16
Traders Finance Corporation Limited	5¾	15 Oct. 1974	99.00	5.85

Common Stocks	Indicated Dividend Rate	Present Market **	Yield %
Bank of Montreal	1.80 (e)	61.00	2.95
Dominion Foundries & Steel Limited	1.20	50.25	2.40
Imperial Bank of Canada	1.80 (e)	72.50	2.48
Salada-Shirriff-Horsey Ltd.	.24	13.75	1.75

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Axe-Templeton Shareholders To Vote on 4-for-1 Split

Shareholders of **Axe-Templeton Growth Fund of Canada Ltd.** (a U. S.-owned Canadian investment company) who were shareholders of record June 17 will vote on a proposed four-for-one stock split at a special meeting preceding the annual Toronto July 17 meeting.

They will also vote on reduction of per share par value from $1 to 25c, and on a proposal to increase fund's authorized capital stock from 1.5 million shares to 10 million.

Approval of the split will add to marketability of the shares, fund's management feels. It is expected that certificates for the new shares will be delivered early in September should the stock split be effected.

On Aug. 30, 1957, fund became the fifth member of the Axe family of mutual funds.

At April 30, 1959, net asset value per share was $30.37 (Canadian), 47.3% higher than $20.62 a year earlier. During the same period total assets rose 21.4% from $4,270,581 to $3,517,871.

Fund reports its net asset value per share at $31.29 (U. S.) at close of business June 17 — or $7.82 on the basis of the proposed stock split.

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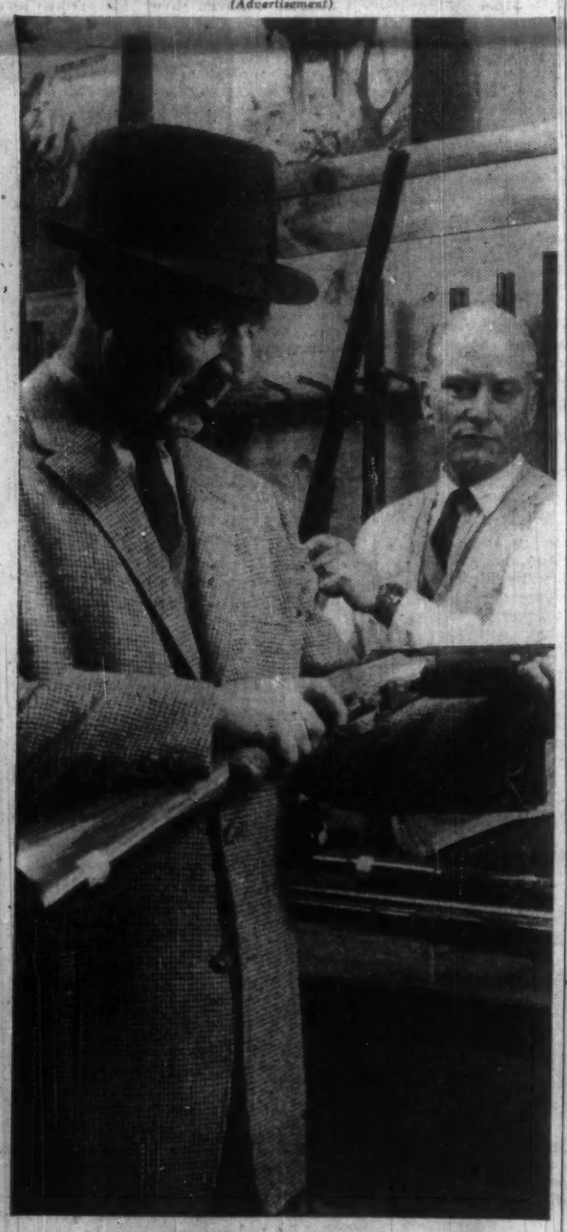

OF INTEREST TO MEN OF RESPONSIBILITY

As a man of responsibility, you have your own progress, your personal financial affairs, your family's security to consider. For help in these matters, other men of responsibility rely on the experience of trust company specialists. You are invited by the Trust companies of Canada to inquire about such helpful services as estate planning, investment and property management, personal pension plans. Contact any trust company; there's no obligation.

Barnum Leaves Salada-Shirriff

Salada-Shirriff-Horsey's executive vice-president, H. J. Barnum, Jr., has resigned.

The resignation was made for personal reasons, **FP** is informed. He is returning to New York.

No successor has been named. A. E. Beeby, general manager of the sales division for Canada, has been made vice-president in charge of sales and advertising, one responsibility formerly held by Barnum.

Foreign Exchange Rates

Noon Value in Canada
Week Ended July 7, 1959

	U.S.$	U.K.£
Wed.	Hol.	Hol.
Thurs.	.95 11/32	2.68 1/8
Fri.	.95 10/32	2.68 1/8
Mon.	.95 12/32	2.68 2/8
Tues.	.95 9/32	2.68
Ave.	.95 42/128	2.68 1/8

U.S. rate reported by Bank of Canada
U.K. bid rate reported by Toronto-Dominion Bank

Union Acceptance Corp. Issues $1.5 Million 6¼% Preferred

A new first preferred stock issue of **Union Acceptance Corp.** will be offered shortly by **Bankers Bond Corp., Mills Spence & Co.,** and **Deacon Findley Coyne.**

Proceeds of the $1.5 million issue will be used in part to redeem the 22,000 6% cumulative first preferred shares, par $20, which are now outstanding. Remainder will be added to general funds of the company.

The existing first preferred has been called for redemption Aug. 4, at $21 a share.

New issue consists of 30,000 6¼% cumulative redeemable first preferred shares, Series A, offered at par of $50.

Average consolidated net profit for the three years 1956-58 was $12.78 per new preferred share, or 4.09 times dividend requirements on all first preferred shares to be outstanding.

Net profit for the first four months of 1959 totaled $137,547. For the full year 1958, net profit was a record $472,991.

Consolidated pro forma balance sheet at April 30, 1959, shows current assets of $22,844,218, including secured notes receivable of $22,696,993. Total assets were $23,426,975.

Current liabilities amounted to $11,572,036. Deferred income totaled $1,796,620, long-term secured debts $4,337,000, and debentures $1,839,000.

Pro forma balance sheet shows $5 million authorized, $1.5 million outstanding, 6¼% cumulative redeemable first preferred stock (par $50); 500,000 authorized, 195,077 outstanding, participating non-voting npv second preferred shares; and 250,000 authorized, 205,787 outstanding, npv common shares.

Earned surplus amounted to $1,174,396.

Founded in 1944, Union Acceptance Corp. now operates, with its wholly owned subsidiaries, a total of 23 branch offices in Ontario, Manitoba, Alberta and British Columbia.

Automotive financing represented 55% of receivables at April 30, industrial financing 22%, appliance financing 5%, and personal loans 18%.

Money Demands Bigger This Year

INCREASES IN CREDIT
($ Millions)

	1954 and 1st qtr, 1955	1958 and 1st qtr, 1959
Bank Loans and Bank holdings of mortgages	+ 6	+ 365
Government of Canada Securities	— 202	+1,395
Net new provincial issues	+ 412	+ 816
Net new municipal issues	+ 324	+ 425
Net new corporate bonds	+ 576	+ 674
Total	+1,116	+3,675
Money supply	+ 779	+1,280
Above issues sold abroad	250	436
"Net" demand for certain funds in Canada	+ 87	+1,959

Jamaica Service May Profit Down

MONTREAL (Staff) — Net income of **Jamaica Public Service Co.** (the operating company) in May was £42,715 or 11.6% lower than £48,294 in corresponding 1958.

Reduction of net income is accounted for by a sharp drop in "other income" arising from a decline in initial allowances on construction expenditures. During 1958, credits for initial allowances on certain construction expenditures were particularly high and have since reverted to more normal levels.

Operating revenues were £171,240 (£161,105 in May, 1958), while operating revenue deductions were £99,393 (£98,434).

Net income for 12 mo. ended May 31 was £463,465 (£399,306), a 16% increase.

Earnings applicable to shares of parent company **Jamaica Public Service Ltd.** in 12 mo. ending May 31 were $1,155,947 or $2.85 per common share, converted to Canadian dollars at $2.71 to the pound.

Profits Here?

A regular listing of latest studies by investment firms.

QUEBEC POWER CO.—L. G. Beaubien Cie, Montreal.
INTERNATIONAL UTILITIES CORP.—Collier, Norris & Quinlan, 320 Bay St., Toronto.
CANADIAN STEEL SHARES — Baker, Weeks & Co., 12 Richmond St. E., Toronto.
B. C. TELEPHONE CO.—Royal Securities Corp.
GREAT LAKES POWER CORP.—McLeod, Young, Weir & Co., 50 King St. W., Toronto.
CANADIAN PACIFIC RAILWAY—Royal Securities Corp., 360 Bay St., Toronto.
TRUCKING—A GROWTH INDUSTRY—Bache & Co., 360 Bay St., Toronto.
GREAT PLAINS DEVELOPMENT CO.—Deacon, Findley, Coyne Ltd., 197 Bay St., Toronto.
VENTURES LTD.—James Richardson & Sons, 173 Portage Ave. E., Winnipeg.

KERNAGHAN & CO. LIMITED
Investment Securities
Canadian National Railway Company 5% Bonds, due May 15, 1977
Price 97.1/8 to yield 5.25%
2nd Floor, 67 Richmond St. W. TORONTO
EM. 4-4256 EM. 8-3871

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AUTOMATIC ELECTRIC

Factory: Brockville, Ontario ORIGINATORS OF THE DIAL TELEPHONE PIONEERS IN ELECTRICAL CONTROL

Eyes on the Mines

Canadian mining is watching labor moves both here and in the U. S. as never before. A whole series of vital labor contracts tilting on a fine edge involve the future of our mining industry.

And what happens is of vital concern to all Canadian employers.

The threat of a steel strike in the U. S. is a danger to Canadian iron ore producers who ship to U. S. steel mills. The widespread economic impact of such a strike would hurt copper mines where there has been a strong recovery.

Also, U. S. copper producers are in the midst of negotiations and its labor is making strike noises.

In Canada, one potential major sore spot was healed recently when Noranda Mines and the United Steel Workers agreed on a two-year settlement which will likely set the pattern for the mines in northwestern Quebec. Earlier, gold mines signed one-year contracts.

But the uranium industry is beginning to enter a period of new contract talks, particularly in the Blind River area. Here, labor is talking up severance pay possibilities because of the uncertainty over the future of some of the mines after present uranium sales contracts expire.

With our mining industry still in the early stages of its comeback from the recession, there seem to be some signs of willingness to settle new contracts quietly although a pattern of one-year contracts that appears to be developing could mean putting off big arguments until next year.

You Gotta Take It Sittin' Down

We doubt if Prince Philip knows just how obsolete, screwy and absurd Ontario's liquor laws really are when he made his crack about them. Probably the other provinces have no reason for pride either.

Do the respectable burghers of Ontario know, for instance, that it is totally illegal to use a decanter? It is. The stuff is supposed to be kept in its original container.

For the worriers, we would point out that it is now legal for a man or woman in Ontario to have a drink while sitting on their own lawn. It was formerly against the law.

But it is still illegal in a public bar to take a sip standing up.

The Shape of Things to Come

"It is now clear that the expansion of world capacity has become sufficient to eliminate any shortages, and indeed to create problems of surpluses, in most major commodities entering into world trade."

That is what the latest World Economic Survey put out by the United Nations has to say.

But if this outlook could portend a slower rate of growth for some Canadian industries, it has even more drastic implications for the underdeveloped countries.

The U. N. survey points out that for the foreseeable future, export prospects for the underdeveloped depend largely on stable, long-term growth of demand in the industrial countries. If these countries can't sell to us, they can't buy the equipment necessary for the development and diversification of their own economies.

How far the industrial countries are from providing the right climate for growing international trade is shown by this comment in the U. N. survey:

"One of the most disturbing aspects of the recent (North American) downturn . . . was the reduction of the export earnings of the underdeveloped countries by 7% to 8%—a loss in import capacity equivalent to about six years' lending to all underdeveloped countries by the World Bank at 1956-57 rates."

The U. N. recommendation: The developed countries could help materially if they were prepared to moderate the degree of protection they grant to domestic primary production.

Seducing the City Slicker

Before retailers in tourist areas decide to slick up the old store, they might well consider the cents in the cracker-barrel approach.

Ye olde shoppe—Canadian version—may go in for some calculated corn, but according to Style, a newspaper for Canadian retailers, it can make for an extremely profitable business.

During July and August when big city stores are featuring bargains to lure shoppers into stores sophisticated by broadloom, the country stores are doing a roaring tourist business without expensive promotions.

The secret of those that are succeeding: Good quality merchandise in an atmosphere reminiscent of bygone simplicity — and some chat, homely or otherwise, thrown in.

Last year, U. S. tourists parted with $75 million in Canadian stores and a good portion of this was handed over after some leisurely but compelling talk about the weather, the fishing and the local sights and customs.

Support For Mr. Fowler

R. M. Fowler's lucid argument for an open-minded reconsideration of Canadian combines legislation has been roundly denounced in some quarters as mere special pleading on the part of an officer of a major trade association.

But professional economists with no special love for the pulp and paper industry and no axe to grind share Mr. Fowler's doubt that the present conventional attitude to combines in Canada and elsewhere makes sense.

Here, for example, is a comment by Evsey Domar, one of the leading theorists in the field of economic growth:

"The industrial structure most conducive to reaching the maximum achievable rate of economic growth cannot be easily described, but does anyone seriously think that perfect competition with its large number of small units—too small for research and too weak for any bold action in an uncertain world—would really maximize the rate of growth? And if it would not, perhaps a good deal of our thinking about competition and monopoly should be reconsidered."

That, of course, is all Mr. Fowler asks for: a genuine reconsideration of the problem of competition and monopoly as it affects Canada. As it is, most speakers on the subject begin with the assumption that unrestricted competition is the original state of grace and any deviation from it a step toward mortal sin.

Canada—where many firms are "too small for research and too weak for any bold action in an uncertain world"—certainly can't afford to assume, without question, that this matter has been decided for all time to come.

Down on the Farm

Bigger farms and fewer farmers are bound to mean changes in the Canadian rural market but not by any means a shrinkage in total industrial goods consumed by that market.

A survey by the National Industrial Conference Board in the U. S., where the trend toward larger farms is a few years in advance of Canada, shows a very substantial increase in farm purchasing power.

The conference board reports:

"Since the late thirties, the number of persons living on farms (in the U. S.) has dropped by about one third, from 31 million to 21 million, and the number of farms has fallen by a fourth, from 6.5 million to 4.7 million. Despite this drastic shrinkage, farmers last year bought about $40 billion worth of producers' and consumers' goods and services, compared with an annual average of around $11.5 billion during the years 1937-41. Valued at 1958 prices, total expenditures for production and family living averaged about $26 billion in 1937-41. Hence, in real terms, farmers bought about 50% more last year than 20 years ago."

The explanation is simple.

Larger farms not only mean far more revenue per farmer but also more machinery and other equipment and more working capital to operate them. One of the main troubles of the small farm unit today is that it simply isn't large enough to be able to use the most efficient large-scale machinery. Its costs are too high. It is like the village cobbler of the last century producing one or two pairs of shoes a day trying to compete with the modern factory turning out hundreds an hour.

Coddling the Cows

Only a few generations ago, man had to bed down on an uncomfortable arrangement of rope "springs" and horsehair mattress. Lucky indeed was the householder with a feather ticking.

But times have changed for man—and for beast. And, if anything, the beast is making faster progress toward complete comfort.

Proof of the matter: An English cattleman now has his cattle sleeping on foam rubber mattresses tastefully covered by an envelope of strong plastic.

It saves labor—the mattresses are quickly hosed down every morning. It saves money—straw is hard to get and increasingly expensive because modern field machinery doesn't leave behind as much straw as the old-fashioned threshing machine.

And it makes for contented cows. Now they never get out of the wrong side of the bed.

No Exhortations, Please

Here is a comment on inflation that comes from a Canadian who has had wide, impressive experience in wartime price controls and, more lately, in finance and banking:

"Producer groups can be reasonably responsible or irresponsible, but it is almost flying in the face of nature to ask them to fight inflation. The easiest and most natural way for organized labor, business and farmers to resolve their conflicting interests and overcome their problems is to raise their prices all around at the expense of the consumer and the citizen at large."

That remark was made by J. Douglas Gibson, general manager of the Bank of Nova Scotia, before the Senate committee on inflation.

What does this really mean?

Unless Ottawa sticks firmly and vigorously by monetary and fiscal policies fashioned to promote stable prices—even at the expense of its popularity with this or that group—its exhortations on the subject aren't worth the breath that's used in uttering them.

How to Avoid Frustration

Would better labeling of clothing and other soft goods pay off for Canadian manufacturers?

The U. S., which until recently had few such labeling regulations, now requires all soft goods to be labeled showing exactly what yarns were used. (See p. 40).

With a few exceptions, the Canadian manufacturer is not obliged to label his material or garment—although, if he does, there are regulations covering what the labels should say.

The U. S. move will likely spark representatives of Canadian consumers into pushing again for more labeling, more information on labels. And it may renew retailers' demands that Canadian manufacturers use uniform terms in describing the properties of their products.

There is today a wide variety of relatively new fibres in clothing and other soft goods. To take full advantage of them and to avoid frustration and disappointment, the consumer must know how to care for the material once he has bought it, what it will do and what it won't do.

No Soap — Soft or Otherwise

A report from France reveals that the 13 cleanest school children in that country were recently honored by being presented with their weight in soap.

In the case of a 115-lb. child this means 540 cakes of soap.

This seems to shed a good deal of light on one of the economic problems that confronted France in her long postwar struggle toward prosperity. That was the problem of incentives—the matter of how to induce the average Frenchman to buckle down and work to raise the national production.

Premiers exhorted, posters urged, generals attempted to inspire—but the incentives offered in France never seemed to produce the spectacular results of the incentives offered in Germany and Holland.

The soap affair seems to suggest that what may be wrong is the nature of the incentives offered. To induce a donkey to trot, one doesn't offer him a bone; to induce a dog to roll over, one doesn't tempt him with a carrot.

Surely, to induce a schoolboy to keep clean, one doesn't offer him 540 cakes of soap.

Perhaps the exquisite logic of the Frenchman which is admired the world over, breaks down when it comes to questions of incentive. Perhaps it is here that the famous French insight into human nature shows its flaw.

The matter gives one furiously to think.

Post Scripts

Teacher Turned Industrialist

Robert B. Taylor, F.C.A., 44, former teacher who left academic life for practical business, is the new vice-president and treasurer of Steel Co. of Canada. His place on the faculty of the University of Western Ontario, was taken by his twin brother, Jim, who this year is instructing business men from all over the world in a management training course at Lausanne, Switzerland.

There were three Taylor brothers who graduated from Western, all gold medalists. Gordon Taylor, the third one, now holds an important post with the British Board of Trade.

Bob Taylor enjoyed teaching. He still would, but there is enough challenge in his new job with Stelco which makes more than 40% of the steel produced in Canada, employs 14,800 and is said to turn out a wider variety of steel products than any other company in the world.

Taylor, spare-time birdwatcher, who likes reading, music and playing golf (seldom to his 14 handicap), was born in St. Thomas, Ontario.

Before going on to college he worked three years with the old Dominion Bank. After graduation he taught for a year at Western, then took time out for World War II service with the Royal Canadian Navy, retiring with the rank of lieutenant. After that he went back to teaching for four years, and was one of those responsible for instituting the management training course at Western in 1948. His specialties were accounting and finance.

His first job with Stelco was as an accountant in the general works accounting department, starting in 1949. Promotions were: 1951, supervisor of the general accounting division; 1953, assistant secretary and assistant treasurer; 1955 secretary and assistant treasurer; July, 1959: vice-president and treasurer.

Earlier this year, Taylor became a Fellow of the Institute of Chartered Accountants of Ontario. He is a former member of the Council of the same body.

Mr and Mrs. Taylor live in Burlington with their two daughters, and one son.

* * *

To Top Engineers Post

A Calgarian, whose ruddy complexion belies his age, is the new president of the Engineering Institute of Canada. He is John Jeffrey Hanna, 67, who succeeds Kenneth F. Tupper, Toronto, as head of the 18,000-member body.

Hanna's rugged health comes from 48 years spent working outdoors on various engineering projects. Out of that period, he worked 35 years for Imperial Oil, retiring in 1957 as superintendent of operations.

In his time and in that order, he has participated in construction of railroad lines, tunnels for his fellow soldiers overseas, bridges, irrigation canals, refineries and other projects connected with the oil industry.

John Hanna was born in Toronto in 1892. At the age of 12 he moved with his parents to Calgary where his father and a partner operated a clothing business. After finishing his high school in Calgary young Hanna joined the staff of the engineering department of the CPR, working for a year and three summers as chainman, rodman and instrument man. He enrolled at the University of Toronto in 1910 and four years later graduated with honors in Civil Engineering.

Following graduation, he accepted the job of assistant engineer with the City of Calgary. Then the First World War broke out and he enlisted as a sapper going overseas with the First Field Company (Engineers of the First Division). He came back a captain. While overseas he married the former Olive Cousins of Calgary, who had come to England.

After the war he resumed his position on the engineering staff of the City of Calgary and among other projects helped build the Hillhurst Bridge over the Bow River.

MR. TAYLOR

In 1921, he took the job of resident engineer with the Lethbridge Northern Irrigation District and a year later joined Imperial Oil.

John Hanna is active in Red Cross work, is a member of the Senior Chamber of Commerce and the Canyon Meadows Golf and Country Club. He is also a member of the Wesley United Church. His hobbies are golf, motoring on vacation trips and photography.

Mr. and Mrs. Hanna have two daughters and six grandchildren.

* * *

CEDA President

New president of the Canadian Electrical Distributors Association, Inc. is Henri Labrie, 48, of Rimouski, Que. He succeeds Don Hughes, London, Ont. who has been president for the last two years. He assumes his new post after long experience in the electrical industry.

The Rimouski-native started his career in electrical business in his home town and after holding various jobs worked up to president of a distributing company.

After finishing his primary and secondary education, Labrie, then 18, joined P. T. Legare Ltd. in Rimouski working first as a bookkeeper, then as salesman, for three years. In 1932 he took a job as office clerk with the Lower St. Lawrence Power Co. in Rimouski. Six years later he advanced to divisional superintendent in charge of sales.

In 1939, he joined the Canadian army as lieutenant, having in the meantime earned the rank of major in the Fusilliers du St. Laurent (Militia) which he joined when 19. After completing an officer's training course at Kingston, he was in command of the basic training centre in Rimouski.

In 1942 he was sent to England as a replacement officer with the rank of major and posted with Regiment de Maisonneuve. He returned to Rimouski in 1945 after seeing action in Europe. At present he is a lieutenant-colonel with the militia group in his home town.

After the war, he returned to Lower St. Lawrence Power Co., working as purchasing agent. A year later, he and five partners formed an electrical supply firm, Mitis Co. in Rimouski. He is the president.

Labrie's hobbies are hunting, fishing, golf and traveling.

He is married to the former Lucienne Brillant, and they have four children, a son, and three daughters.

MR. LABRIE

* * *

MR. BENNETT

Breaking New Ground

Bill Bennett is another in the band of government servants who in the last two years have made the switch to top executive positions in business and industry.

One-time right-hand man to former Trade Minister C. D. Howe, William John Bennett, 47-yr.-old native of the Lakehead, was recently named president of Canadian British Aluminium Ltd.

CBAL rates as one of the more exciting prospects among new Canadian enterprises. It's operating its 90,000-ton smelter at Baie Comeau, Que., at capacity. It's located in one of the nation's fastest growing industrial and shipping areas. And its control rests in the hands of British Aluminium Co., which recently has become connected with the vigorous U. S. aluminum producer and fabricator, Reynolds Metals.

The dynamic and forthright Bennett was born in Schreiber, Ont., educated there, at Fort William and Toronto. Leaving university during the depression of the 1930s, he went to work as private secretary to Howe, then newly appointed transport minister.

He stayed with Howe until 1946, as the stature of both rose steadily. Then he became identified with uranium and atomic energy, taking the post of president of Eldorado Mining and Refining Ltd., the government corporation responsible for uranium development. Bennett held this job until he left government service in 1958.

He added the presidency of Atomic Energy of Canada Ltd. in 1953. This made Bennett Canada's leading atomic-age personality.

He gave up this role early last year to become vice-president and general manager of CBAL. Once again Bennett was breaking new ground, this time in private business.

He lives now in Westmount, a suburb of Montreal. He married Elizabeth Josephine Palleck of Fort William in 1934, has seven children.

What Others Are Saying

Not Tooting Enough

Dutton (Ont.) Advance

Recently we had an opportunity to talk to some of the 30 editors representing 29 U. S. states who were touring Canada. Most of them were greatly impressed by the beauty of the country, the industrial activity and the friendliness of our people. But they were amazed at the lack of publicity which we give to certain attractions.

One editor, for instance, said he was "astonished" that we did not advertise the birthplace of the Dionne quintuplets near North Bay. He said he did not see a single highway marker telling visitors how to find the Dionne home. He contrasted this to the U. S. where "they advertise every bed George Washington ever slept in and make money doing it."

Our country has many attractions to outsiders, but there is little doubt that there are many more which could prove interesting and profitable with a little more promotion on our part.

IT IS A GREAT PITY that we strayed so far from the paths of free enterprise, says the **Calgary Herald.** "But strayed we have and the job today, whether we like it or not, is not so much to try and dispense with the controls we have as to try and prevent getting any more. The trouble with a planned economy is that controls seem inevitably to breed more controls."

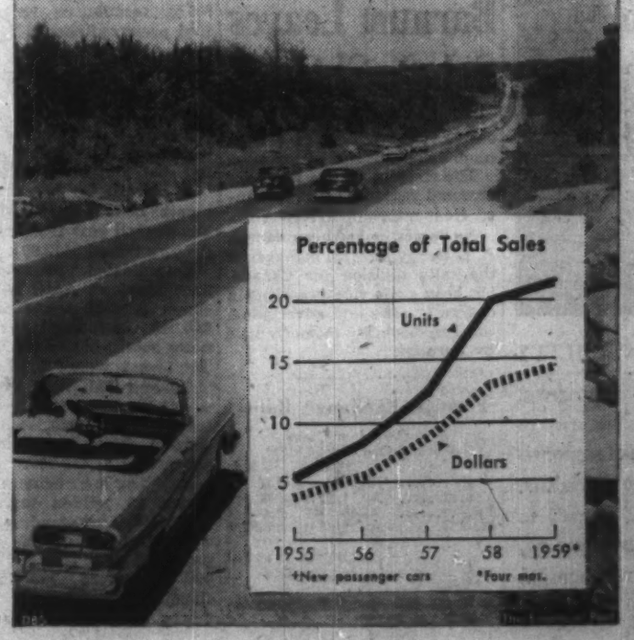
OTTAWA FARM PRICE support policy is a failure, declares the **Kitchener-Waterloo Record.** "The huge quantities of pork, butter and other dairy products for which the government can't find buyers abroad even at bargain prices is good reason for changing Canada's price-support program."

DISTINGUISHED SWEARING is an art, but the average kind is "unspeakably dull and tiresome", thinks the **Regina Leader-Post** which adds: "The worst type of all is the man who must needs intrude low and unimaginative swearing into nearly all his conversation, under the illusion that it adds impressiveness to his speech. All it does is advertise the limits of his vocabulary and the poverty of his thought."

ONE IN FIVE

European Cars

In Canadian Market



Napier Moore's

Scratch Pad

THE FIRST OF JULY was quite a day in London's Stable Yard.

Stable Yard is next door to St. James Palace. It's the square on which stands Lancaster House, vast and ornate. More than 2,000 Canadians thronged its great, divided staircase, corridors, reception rooms and garden. Present also were several members of the British Cabinet and a host of foreign diplomats. And the guest of honor was the Queen Mother, come to wish Canada a happy birthday.

Our High Commissioner, George Drew, was host at what Lord Hailsham described to the Daily Express' William Hickey as "The nearest thing to a Buckingham Palace garden party that I have seen."

It was a stupendous and most successful affair. Usually the Dominion Day reception is held in Canada House. But this was a special occasion to signalize the Queen's visit to Canada and the presence of the Queen Mother. Canada House couldn't have accommodated so large a crowd.

Incidentally, George and Fiorenza Drew had to perform quite a feat. The Queen Mother, who was radiant and gracious (and who walked from and to nearby Clarence House) didn't leave until 6.30. In heavy traffic the Drews had to dash to Upper Brook Street, change into evening clothes and get to the Savoy Hotel by a little after seven for the Canada Day dinners.

* * *

NEXT MORNING, the Daily Mail and Express were slimmed down to eight pages. The Times had 12. By the weekend there may be no newspapers at all — because of lack of printing ink. This is due to an ink makers' strike for more pay and fewer hours. Whether or not a settlement will be reached in time nobody knows. At this writing the prospect appears to be gloomy. Britons are the world's greatest newspaper readers.

* * *

OVERHEARD on the promenade deck of the Queen Elizabeth as she was docking at Cherbourg:

American woman (bound for Paris): "Do we have to pass through Customs here?"

British woman: "Yes."

A. W.: "It's ridiculous! Why should Americans have to be put to that bother?"

B. W.: "For the same reason that everybody has to pass Customs on arrival in the United States."

A. W.: "But we're Americans. We're different."

A look of exasperation came over the British woman's face. But she kept her temper and walked away.

* * *

SPEAKING OF CUSTOMS, there was a monumental jam at London Airport the other day. Within a few minutes there arrived two Boeing jets and a Comet. The Boeings alone debarked 222 passengers, mostly American tourists. The Customs officers just couldn't cope and there were long delays.

Airline officials are now wondering what will happen when more and bigger jets arrive.

* * *

LONDON STILL CANNOT BANISH the terror of the wartime bombings. Workmen digging up a Putney street came upon an unexploded German bomb, 20 feet below the surface. A 520-pounder, it was a tricky and dangerous mechanism, liable to shattering explosion at the slightest touch. My idea of a hero is Captain B. D. Dace, a bomb disposal expert from Horsham, who spent an entire night rendering the thing harmless.

* * *

OVER A PERIOD OF YEARS I have in this column written some pretty harsh passages about the English climate. Therefore I am in honor bound to report that the sun has shone for several hours every day since I arrived last week. Apart from odd moments of drizzle, there hasn't been a real rain for five weeks, I am told.

Stop Me If . . .

There was something to be said for the old-fashioned blacksmith. When you brought your horse to be shod at least he didn't think of 40 other things that ought to be done to it.

* * *

The common cold still defies medical research. Suffering from a severe cold, the patient begged the doctor to cure it for him quickly. But the doctor had only one suggestion. He told the man to go out into a cold rain with inadequate clothes and allow himself to be soaked through.

"But, doctor," exclaimed the puzzled patient. "That would give me pneumonia, wouldn't it?"

"Exactly," answered the doctor. "We can cure pneumonia with penicillin in no time, but for a cold—nothing!"

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July 11, 1959

The Threat of Inflation

Here's how prominent Canadian businessmen and economists see the inflation danger and how they propose to fight it . . .

By MICHAEL BARKWAY

OTTAWA (Staff) — The Senate Finance Committee was expected this week to conclude its series of hearings on "The Threat of Inflation", with Governor J. E. Coyne of the Bank of Canada as its final witness.

The Committee's report, to be prepared with the help of Prof. J. J. Deutsch, formerly a senior Finance Department official and recently appointed vice-principal of Queen's University, is expected some time next week.

Meanwhile leading figures in the financial and business world, besides labor and farm organizations, have put some careful and thoughtful testimony on the record.

Here are some of the highlights from it:

Is inflation a real, current threat?

Canadian Chamber of Commerce:

"It will not prove serious this year. Use of our resources at full capacity seems most unlikely in the next 18 months."

Morgan Reid, for the Chamber of Commerce:

"What we are all concerned about is the fact that there has been a continuing erosion of the dollar, particularly since the end of World War II.

"At the moment, at this particular time, there is not evidence of severe inflationary pressure; but we are still concerned over the longer run with what has been called 'creeping inflation'."

H. H. Edmison:

"We believe there is an inflationary psychology."

Canadian Metal Mining Association:

"The important factor is the steady trend of cost increases over the last 10 years."

M. D. Cox, for Investment Dealers' Association:

"There is a lack of confidence that has developed. Despite the liquidity that corporate accounts and individuals found themselves in last year the acquisitions they made (of bonds) were only in securities of very short-term or payable on demand."

G. Cretzianu, Greenshields and Co.:

"The greatest danger I see now is . . . in the mentality or state of mind of the people where they are afraid of inflation."

E. C. Gill, president, Canada Life Assurance Co.:

"I think too many people are buying stocks on the theory that inflation is coming."

Eugene Forsey, Canadian Labor Congress:

"I don't believe inflation is really a problem at the present time. It is a problem that always can arise. The dangers are not really as big as they are made out to be."

W. T. G. Hackett, for the Canadian Bankers Association:

"Any situation wherein the supply of money had increased by 14% or 15% or 16% in a single year is a situation that at least should put us on grave notice that a threat of inflation exists."

What causes "inflation psychology"?

● **Growth of government spending.** This ranked high among the inflationary influences mentioned by the Chamber of Commerce, CMA, insurance men.

"Social spending has increased too rapidly. I do not say it should be reduced," said M. D. Cox, Investment Dealers.

John D. Pattison, Imperial Oil Co., for the CMA:

"Recent increases in old age benefits and in the family allowances were not related to any capacity of the government to meet these."

"Spending which has the specific intention of reducing unemployment in a recession may be amply justified. But government spending programs tend to take root and become permanent fixed or increasing costs," said the CMA.

"Government spending tends to be ponderous and irreversible. The deficit may make an embarrassingly long stay," says James Muir, chairman, **Royal Bank of Canada.**

● **Government's cash deficits.**

E. C. Gill, president, Canada Life Assurance Co.:

"I believe that by the 1960s we are going to be well into a period of prosperity, and the federal budget for 1960-61 should be in balance at that time. Unless we can achieve a surplus at that time, when can we ever do so?"

● **An excessive rate of capital investment.**

David Kirk, Canadian Federation of Agriculture:

"Inflation is forced on the country by an investment boom to a very large extent."

E. C. Gill, Canada Life:

"We need capital expansion in this country, but we can have too much of it.

"If the rate of capital spending were reduced from 27% to 20% or 22% of gnp, it would still be a phenomenal rate of growth . . . but the extra pressure which induces inflation might be removed.

"In my opinion we are importing too much capital."

R. M. Fowler, president, Pulp and Paper Association:

"We have to import quite a bit of capital to make up for our commodity deficit; and it seems to me that it would be a good thing to put some regulation on the flow of it so that we do not get an indigestible meal now and then."

G. Arnold Hart, president, Bank of Montreal:

"In recent years our fascinated preoccupation with our brilliant long-term economic future has rather dulled our immediate realization that this future is not guaranteed."

The weapons against inflation . . .

Through all the testimony, four main weapons in the modern armory of economic devices got most frequent mention. They came in this order:

▸ **Monetary restraint:**

All witnesses agreed that the control of the money supply was the vital factor; but there were differences of view about how effective it could be by itself in controlling inflation.

James Muir, Royal Bank of Canada:

"We do have the machinery to prevent inflation. The Bank of Canada has complete control over the money supply. There is room for improvement in detail, but the machinery now exists in effective form."

Investment Dealers' Association:

"A tight rein on expansion of the money supply or a policy of credit restraint, together with a balanced budget, can create an atmosphere necessary to encourage saving and investment."

Chamber of Commerce:

"Monetary policy can and should be designed to help mitigate fluctuations in the general level of production, trade, prices and employment; but should not be pushed to extremes in an endeavor to create or reverse a basic trend in the economy . . .

"One aspect needing further study is that monetary restraints have unequal impact. But despite its shortcomings the use of monetary policy is preferable to a system of controls and direct interference in business."

J. Douglas Gibson, Bank of Nova Scotia:

"I think we do know enough to see at certain times that we should be pushing one way a bit, and at other times we should be pushing the other way.

"In recent years our country has tried to moderate the ups and downs of business quite considerably through monetary and fiscal policies. But I think the will is even more important than the wisdom . . .

"Nobody argues with things that are necessary when you want to expand, but on the restraining side these things are unpopular. To my mind this is the problem."

D. E. Kilgour, president, Great West Life Assurance Co.:

"I respect tremendously what the Bank of Canada is doing; but the Bank of Canada is the only isolated defence against inflation that we have, and they are being shot at from every direction."

Canadian Labor Congress:

"The 1955-57 investment boom ran its natural course, largely unimpeded by monetary policy.

"Since general monetary controls cannot be directed at specific sectors of the economy, they should not be used to combat inflation which comes from particular economic pressures.

"Selective controls should be substituted."

▸ **Fiscal policy:**

James Muir, Royal Bank:

"Fiscal policy is especially important as a stabilizer during recession.

"It may have to take the initiative through deficit financing. But if the deficit involves a permanent rise in government spending it makes inflation more difficult to control in the next phase of the cycle.

"These considerations led me in 1953 and again in 1957 to urge tax reductions as the best means to the creation of a temporary deficit."

J. Douglas Gibson, Bank of Nova Scotia:

"The high level of government expenditures and the government deficit disturb the people. This is pretty evident in the reaction of the bond market.

"This is a fact we have to face: it is one of the things that create inflationary fear.

"It is important that the budget be balanced by reducing expenditure rather than by increasing taxes.

"This is not to say that higher taxes are ineffective in combatting inflation; but their effectiveness decreases when tax rates are high."

Canadian Metal Mining Association:

"The first (need) is to contain government spending, balance government budgets, exercise the most prudent control over any proposal for the expansion of government services, with the ultimate aim of the earliest possible reduction in tax rates."

H. H. Edmison, Canadian Chamber of Commerce:

"High taxation increases costs. You must be careful about the period to which you are referring.

"Dealing with the period we are in, and weighing all the facts, I think most of us would agree that if you can help balance your government accounts and help close your cash deficit by some increase in taxation which doesn't unduly increase costs, it is wise to do so."

▸ **Costs and wages:**

Canadian Metal Mining Association:

"The second (need) is to hold the line against further pressures for increased wage rates . . . and to curb the monopolistic power now exercised by national and international unions."

E. R. Alexander, vice-president, Sun Life Assurance Co.:

"Growing recognition that certain international labor leaders exert a degree of monopoly power that cannot longer be tolerated should not be the basis for a broad movement to break the trade union movement."

D. E. Kilgour, Great West Life:

"One of the built-in forces continually applying great pressures for higher price levels is . . . the very great power concentrated in a few unions, the result of which is not always consistent with the national interest."

E. C. Gill, Canada Life:

"If labor's demands go beyond the increase in productivity, we are in trouble."

E. R. Alexander, Sun Life:

"Labor has been pressing hard to corral all the gains from productivity, apparently on the theory that there is only one way to increase consumer buying and that is by increasing labor income.

"We suggest there is another and better way, and that is by using part of productivity gains to reduce prices and thus increase the purchasing power of the consumer's dollar.

"This would require a commitment on labor's part to moderate wage demands to provide leeway for some price decreases and a commitment on management's part to carry out a policy of price reduction."

Canadian Metal Mining Association:

"One evident trend causes us considerable concern — the attempt, indeed the announced policy of certain labor organizations, to impose on industry in Canada wage rates comparable to those of the U. S."

Canadian Chamber of Commerce:

When "practically all businesses are working to capacity" and "employment is 'full' ", "the tendency . . . of employers and employees is to settle their differences by sizable increases in rates of pay . . .

"Even in present conditions demands made upon employers by some powerful unions have been so substantial that they have resulted in price increases. Unfortunately the alternatives to such settlements are costly strikes . . ."

W. J. Parker, president, Manitoba Pool Elevators:

"We request that the government, through strong persuasive action or otherwise, do everything possible to prevent actions by labor and business that lead to undesirable price inflation."

Canadian Labor Congress:

"We do not for a moment deny that wage increases can, in certain circumstances, be an inflationary factor.

"We know of no evidence

(Continued on page 9)

They Suggest These Weapons In the Battle

● A number of rather modest suggestions of different kinds were made by many of the Senate Committee's witnesses for strengthening Canada's armory against inflation.

Here's a sample of them:

Bank Rate:

The Bank of Canada's "rediscount rate", now regularly set at 0.25% above the weekly average tender for 91-day Treasury Bills, has lost its value as a "signal" from the central bank to the money market, said the Canadian Bankers Association.

"I suggest," said Mr. Hackett for CBA, "that we could have the best of both worlds if we were to retain the floating rate, but if the central bank were on occasion to intervene by varying the spread between the bill rate and the rediscount rate."

James Muir, Royal Bank:

"Bank rate should assume the more manly role of being a leader, rather than create the impression of meekly following money market operations."

Government debt management:

A. H. Cameron:

"The Bank of Canada is powerless to prevent deficits, it is even charged with the job of debt management. . . .

"If the bank could be left with full authority as monetary manager, with the debt management job given back to the Finance Department, (as it rests in the U. S. Treasury, rather than the Federal Reserve Board), there would be more of an arm's length situation in which the bank could display more resistance to monetary expansion."

Finance companies:

Canadian Labor Congress:

"We have growing up in Canada something in the nature of a phantom banking system, not directly responsive to central bank influence." (Canadian Bankers' Association.)

"The credit and investment policies of our non-banking financial institutions, including life insurance companies, trust and loan companies, consumer credit agencies, mortgage concerns, as well as the liquid assets of corporations . . . lie outside the banking system.

"What is needed is proper coordination of the policies of our banking and non-banking financial institutions."

New look at our system:

CMA:

"The nation's whole financial structure and machinery" should be the subject of "a new appraisal by independent, perhaps international experts, directing specific attention to the effects and shortcomings of monetary policy".

"Hoover Commission":

The Executive Council of the **Chamber of Commerce** urged the appointment of something like the U. S. Hoover Commission to "explore the possibilities of savings in government expenditure and, if feasible, to assess the role of government in the Canadian economy."

Limit Bank of Canada bond holdings:

A. H. Cameron of the bond house of **Saunders, Cameron Ltd.**, Toronto, recalled that until 1954 there were statutory limits on the bond holdings of the central bank.

The same limits could not be restored now, he said; but it

(Continued on page 9)

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Although old age has certain drawbacks, the unpleasant picture you may have of it is out of date. Today, many of our senior citizens—and there are more than one and one quarter million of them aged 65 or older—enjoy travel, recreation, good health and many other satisfactions.

To live usefully and happily after retirement, you should start planning *—long before your 65th birthday*—for your health, economic security and the active role you'd like to take in your community.

To help you live to a healthy old age, be sure to have regular health examinations, eat sensibly, practice good health habits and develop interests for your leisure time.

Regular medical check-ups can be your most important safeguard against the chronic or degenerative diseases which occur most commonly in the middle and later years. Your periodic examinations may disclose trouble while it can still be "nipped in the bud"—or its progress delayed.

Plan your diet around a variety of foods. Meat, milk, eggs, poultry, fish, vegetables, fruits, bread and cereals—in suitable amounts—will help keep your body in good repair and your weight in check. Always avoid fad diets.

Habits of exercise, sleep and recreation can make a big difference in how you feel. For instance, regular exercise is good for your muscles and your circulation. Your doctor can help you work out a plan for living that will conserve your physical and mental resources.

Chances for happiness are slim at any age unless your leisure is occupied with satisfying activities. So, develop hobbies or take part in community affairs to stimulate your mind and keep you in touch with people of all ages.

Your chances of living to a ripe old age are good. That's why you should look ahead and plan wisely for the years to come. And as time slips by and "the future" becomes the present, you will find it is bright—because you have made it so.

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RD268

The Outlook

(CONTINUED FROM P. 1)

Associates, Toronto business consultants, point out that GNP will probably continue to rise by 2% a quarter in response to some price increases and further growth in the service industries which are not entirely represented in other indicators.

Then, if past experience is a guide, there should be a burst of accelerating activity—perhaps in mid-1960—which will carry the boom to its peak.

Inventory build-up and consumer spending are the main props of the current phase of growth and will likely continue to be major contributors to Canadian expansion this year.

Housing outlays will drop off—unless the market for mortgage money gets an injection from Ottawa—but this decline, in part anyway, will be offset by climbing capital outlays on new plant and new equipment.

Government spending, a big sustaining factor in the recession, will be a relatively less expansive force in the months ahead as the private sector of the economy begins to force the pace. However, government purchases will be more important in Canada than in the U. S., if for no other reason than the fact that Ottawa has managed to postpone as many outlays as possible until its revenue picture brightened. Note, for example, spending on aircraft.

Much the same slowdown in growth rates can be expected in the U. S. Fortune Magazine, for example, notes that GNP in the U. S. has risen by 10% or so in the past year but estimates that it will rise only another 6% in the next 18 months. And U. S. industrial production, which advanced on the Federal Reserve Board Index by 18% since mid-1958, will only go up another 5% or so by the end of 1960, it's predicted.

In both countries, business analysts are counting on capital investment to be the new and dominant force making for continued expansion.

If this capital spending boom does not materialize, the present economic expansion may well be less than the anticipated 30 or so months.

However, indications are that the spending spurt on new facilities will take place on both sides of the border.

In the U. S., there has been only a slow recovery in business outlays since fall 1958, but it is expected that the gains over the next 18 months will be very substantial—perhaps in the order of 20%.

In Canada, the government's mid-year survey of business' spending plans show that upward revisions are being made from expectations of six months ago. (**FP**, July 4.)

If capital spending prospects are realized in both countries, **the next 18 months should see sturdy, steady growth across a broad front**—with certain export industries being the exception. Due to this expansion, and buttressing it, will be rising consumer incomes and rising consumer spending.

Cdn. Firm Wins Iran Power Job

(CONTINUED FROM P. 1)

Foreign markets aren't new to Eastern Power Devices.

It has shipped equipment to Brazil and Colombia, will shortly ship more to India.

It filled a Formosan contract, once again in the face of tough U. S. competition.

In the world markets, it competes directly with its parent firm, **I-T-E Circuit Breaker Co.**, Philadelphia.

Its previous installations abroad, company officials feel, helped it win the latest contract, as well as its unusually stringent standards and ability to supply reliable equipment for projects thousands of miles from its manufacturing plant.

Another reason: The company's extensive testing laboratory facilities.

Launched in 1928, the company began by supplying disconnecting switches to utilities.

Its first major order was from Ontario Hydro for 230,000-volt equipment.

At that time, Eastern Power Devices was the only Canadian company able to supply equipment of this high voltage.

In 1948, it became affiliated with I-T-E Circuit Breaker Co., and began to produce low voltage circuit breakers and switchgear and, latterly, transformers.

It is now a subsidiary of the company, but personnel, including president Gilson, remains all-Canadian.

Wengren to Link U.S. with Alaska

(CONTINUED FROM P. 1)

specifically, to avoid real estate and mineral rushes, it is known that North American major mineral and petroleum companies have been in the field for months, trailing the Wengren crews, seeking to anticipate the route of steel.

Lundberg Explorations Ltd., of Toronto, which has been staking for the Wenner-Gren interests about the Rocky Mountain Trench, are also working for **Wenner-Gren B. C. Development Co. Ltd.** about the surveyed rail route. Lundberg earns an interest in the claims for this work.

The Trench is a possible site of **Peace River Power Development Co.'s** four million-plus hp power development.

Wenner-Gren B. C. Development and Peace River Power Development are separate companies, the former handling rail, forest and mineral phases of the huge northern B. C. project, the latter handling the power project. Both companies are controlled by Wenner-Gren interests.

Under the agreement with the B. C. government, construction of the railway must start by early summer, 1960, about the same time as a start on the power project is expected. Cost of the power project has been estimated at from $500 million to $1,000 million. Cost of 500 mi. of steel through rugged mountain, forest and lake country added to this easily puts the two jobs well beyond the $1,000 million figure.

Real Estate Firm Common Offered

A new issue of 380,000 npv common shares of **United Principal Properties Ltd.** is being offered at $3.10 a share by Toronto investment dealers **Watt & Watt, E. T. Lynch & Co., and J. L. Goad & Co.**

Authorized capitalization is seven million shares, of which six million are outstanding.

Bitter Friction Coming In B. C. Woods Dispute?

More bitter friction in the labor field could be coming in British Columbia.

Over 26,000 loggers in the coastal woods industry walked off their jobs this week in a wage dispute with 138 lumber companies.

A long, troublesome strike would mean:

- **A build-up of more bitterness** in already stormy labor affairs.
- **Possible loss of over $1 million a day** to the province's economy. Loggers may lose $500,000 a day in wages.
- **Serious threat to the industry's competitive position** in lumber markets.

At mid-week, there was little hope for an immediate settlement as neither International Woodworkers nor the companies showed signs of relaxing their stands.

The issue is basically over wages. IWA wants a 20% hike, equal to about 34c hr. The companies offer 12c hr. over two years, in line with conciliation board report.

B. C. labor tension has been building up since new labor legislation early this year put a damper on union power (**FP**, March 28).

It has produced a rash of bitter opposition from organized labor in and outside the province.

The loggers' strike—if it developed into a long-drawn struggle — could be a potent factor in future labor trends.

B. C.'s revised labor legislation — banning several types of picketing and making unions liable for legal action — could be facing a major try-out this year.

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BANKERS TRUST COMPANY
NEW YORK

Condensed Statement of Condition, June 30, 1959

ASSETS

Cash and Due from Banks	$ 770,186,655
U. S. Government Securities	505,481,163
Loans	1,524,439,154
State and Municipal Securities	90,985,020
Other Securities and Investments	33,190,625
Banking Premises and Equipment	23,366,576
Accrued Interest, Accounts Receivable, etc.	12,193,428
Customers' Liability on Acceptances	36,073,368
Assets Deposited against Bonds Borrowed	10,250,000
	$3,006,165,989

LIABILITIES

Capital (Par value $10 per share)	$ 40,299,500	
Surplus	160,000,000	
Undivided Profits	74,229,225	$ 274,528,725
Dividend Payable July 15, 1959		3,022,462
Deposits		2,656,615,528
Reserve for Taxes, Accrued Expenses, etc.		20,410,207
Acceptances Outstanding	$ 40,230,530	
Less Amount in Portfolio	2,580,534	37,649,996
Liability Under Bonds Borrowed		10,250,000
Other Liabilities		3,689,071
		$3,006,165,989

Assets carried at $119,933,406 on June 30, 1959 were pledged to secure deposits and for other purposes.

MEMBER OF THE FEDERAL DEPOSIT INSURANCE CORPORATION

$1 Million Plant to Process Canada's First Crude Tall Oil

Chalk up another important byproduct for Canada's pulp and paper industry:

Tall oil from kraft pulp manufacture.

The crude tall oil will be processed in a $1 million plant to be built by **Hercules Powder Co. (Canada)** at Burlington, Ont. Products of the new plant will be rosin and fatty acids.

The rosin will replace imported materials from southern U. S. and will be used in manufacture of pale rosin size for the paper industry.

Hercules Powder is making arrangements with a group of kraft pulp producers for supply of the crude tall oil. The oil is obtained from the black liquor produced in the kraft cooking process.

This will be the first such recovery in Canada.

Hercules Powder has been operating a paper chemicals division at Burlington for some years. Completion of the new plant by June 1960 will result in fully integrated pale rosin size operation based on Canadian raw materials.

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CHICAGO RAWHIDE MANUFACTURING COMPANY EXECUTIVE APPOINTMENT

MR. E. F. WHELAN

Mr. E. F. (Ed) Whelan has been promoted to the position of Sales Manager, Replacement Division, Chicago Rawhide Manufacturing Company of Canada Limited. In making the announcement of Mr. Whelan's appointment, Mr. George Barker, Vice-President and General Sales Manager, stated it became effective July 1st, 1959 and is in recognition of Mr. Whelan's many years of successful service to the automotive industry.

Fishyback and Piggyback Progress Hangs on Union

By JACK McARTHUR

MONTREAL (Staff) — The Canadian future of two promising and youthful transport techniques — fishyback and piggyback—may hang on events of the next few weeks.

The tough Teamsters union is in a position to slow progress of both.

Meanwhile this first year's operation of the St. Lawrence Seaway is helping companies decide whether fishyback sailings on the Seaway and lakes will be economical.

Tentative decision so far: They will be.

Fishyback involves shipment of huge loaded containers and/or highway trailers by ship. These can be hauled to and from ships by truckers. Piggyback is rail transport of loaded highway trailers.

(Both versions are more advanced — and flourishing — in the U. S. than here, though piggyback recently has made huge strides in Canada.)

In the long run in Canada, there now seems little doubt that fishyback — especially on the lakes — and piggyback will show great growth.

But the short run is cloudier.

Since Teamsters has strong friends among longshoremen and seamen, its attitude toward fishyback must be considered by interested companies.

This attitude is being considered very carefully right now. A lengthy dispute over piggyback effects between Teamsters and a number of truckers (including giants **Smith Transport** and **Kingsway Transports**) is reaching a climax.

It has involved two work stoppages.

Soon, it's expected, an arbitration board will rule on the disputed meaning of an existing union - management agreement on piggyback.

This ruling will be binding. Its nature and the union reaction will go a long way to making up management minds about piggyback expansion and starting fishyback service on the Seaway and lakes.

In either form of transport, observers agree, there is opportunity for real cost saving.

But how much of the saving will be eaten up by the need to placate union members and minimize job dislocation?

That question hasn't been answered.

Until it is, companies will hesitate to make decisions which could mean big capital expense.

There are other problems, of course.

- **One is the need for developing two-way fishyback on the lakes.**

Carrying loaded containers from Eastern Canada to the Lakehead is regarded as a most promising possibility.

What can be carried back? Flour? Whatever it is, it seems there will be a real problem in getting containers moving eastward with profitable loads.

- **Another factor:** Fishyback will be pretty slow. How many shippers will be willing to accept this? That answer probably will depend upon how much cheaper it is.

And that brings the matter right back to labor's reaction. It's the key.

Take-over Rumor Of Tooke Bros.

Canadian Converters Co., Montreal, manufacturing shirts, hosiery and other clothes in a number of plants in Quebec, is rumored to be taking over **Tooke Bros.**, Montreal.

Tooke Bros. manufactures a similar range of products in a plant at Cap de la Madeleine.

Common stock of Canadian Converters, seldom traded, was at a high of $4 for the class A on light buying last week.

Tooke Bros. stock, which reached 70c per share in a burst of trading in early May, last traded at 42c in mid-June.

At last report, there were 120,000 shares of Tooke Bros. outstanding.

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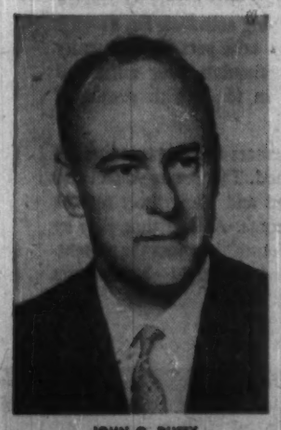
SEAGRAM APPOINTMENT



JOHN Q. DUFFY

Charles E. Bronfman, president of The House of Seagram Ltd., has announced the appointment of John Q. Duffy as vice-president of the company.

Mr. Duffy will continue in his capacity as general production manager for the company.

Prior to joining the Canadian company as chief blender in 1956, Mr. Duffy was associated with the Seagram organization in the United States for 16 years.

He was appointed general production manager in 1958.

Automatic Electric to Build Second Plant at Lethbridge

From Our Own Correspondent

LETHBRIDGE — This southern Alberta city of 33,000 is to be the home of **Automatic Electric's (Canada) Ltd.** second plant.

C. R. Hughes, the firm's president from Brockville, Ont., announced here during the past week that the plant's building will cover about 20,000 sq. ft. and cost approximately $150,000.

Automatic Electric manufactures parts for telephones and switchboards and precision equipment for micro-wave installations.

Present plans call for occupancy of the new plant by the year end with a trained crew of 75 to start.

Company doubled floor area at the Brockville, Ont. plant in the addition made in 1957.

John G. Kerfoot, plant engineer at Brockville, has been appointed plant superintendent at Lethbridge.

Except for key personnel, most of the staff for the new plant will be recruited and trained locally.

The company has already indicated that it is interested in future expansion in Lethbridge. It has been granted first refusal on four acres of land adjoining its recently acquired site.

Morgan Guaranty Trust Company

OF NEW YORK

Statement of Condition June 30, 1959

ASSETS

Cash and due from banks	33,890,933
U. S. Government obligations	703,831,645
State, municipal and public securities	162,406,562
Other securities	22,625,431
Loans	1,984,116,036
Accrued interest, accounts receivable, etc.	124,994,592
Customers' acceptance liability	43,932,772
Stock of Federal Reserve Bank	12,750,000
Investment in subsidiary companies	4,795,495
Bank premises	21,655,697
	$4,044,999,163

LIABILITIES

Deposits		$3,334,011,968
Foreign funds borrowed		1,593,421
Reserve for expenses and taxes		26,391,952
Liability on acceptances		45,972,708
Dividend payable July 15, 1959		6,032,000
Other liabilities		114,193,143
Capital—7,540,000 shares—$25 par	$188,500,000	
Surplus	236,500,000	
Undivided profits	91,803,971	
Total capital funds		516,803,971
		$4,044,999,163

Assets carried at $331,985,431 in the above statement are pledged to qualify for fiduciary powers, to secure public monies as required by law, and for other purposes.

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ANNOUNCEMENT

JAMES HOWDEN CO. APPOINTMENT

R. O. STANDING

The appointment of R. O. Standing to the Board of Directors of James Howden and Company of Canada Limited is announced by William MacOwan, Managing Director. Mr. Standing, a professional engineer and graduate of University of Toronto, has wide experience in mechanical engineering and administration in the Public Utilities field. Retired recently from Ontario Hydro, he served the Commission on a province wide basis for 36 years, holding many responsible positions, latterly that of Senior Maintenance Engineer.

The Threat Of Inflation

(CONTINUED FROM P. 7)

that they have in fact, in Canada, since the war, played any appreciable part in the inflations we have actually experienced."

Prices:

Canadian Labor Congress:

"One source of inflationary pressures is the seemingly growing practice of corporations, especially those in a monopolistic or oligopolistic position, to establish their own prices without regard to the market.

"This practice is referred to as 'price administration' or 'administered prices' . . .

"Until governments are able and willing to undertake investigations into such pricing policies, and then do something about them, they will continue to be a source of inflationary pressures."

Canadian Federation of Agriculture:

"Studies in the U. S. have shown that inflation in that country can to a considerable extent be attributed to what are called 'administered prices' — that is the ability of basic industries such as a steel industry to raise their prices to a higher level than necessary to compensate them, in a rising period of demand, for increases in their costs."

Ira G. Needles for the CMA:

"'Administered price' has become a catchword of popularity which really does not mean what it appears to mean.

"A price is determined inevitably, finally and assuredly on the basis of the cost of supplying the goods or services to provide the returns necessary to reward the capital which has been invested.

"Over a period of time prices will inevitably flow to a point somewhat above the over-all costs, otherwise business would fail."

A. Ross Poyntz, president, Canadian Life Insurance Officers Association, and of Imperial Life Assurance Co.:

"Inflation could very easily price many of our exportable products out of the international markets. Rising prices here make imports that much cheaper, relatively."

R. M. Fowler, president, Pulp and Paper Association:

"The average Canadian businessman wants stability of prices. The popular idea that businessmen are only interested in raising prices is quite wrong.

"In this country any sound businessman would rather sell a larger volume of goods at a lower price."

Canadian Metal Mining Association:

"Large swings in the prices of products are a very great danger to the economy.

"As far as base metal mines are concerned, their interest is not in high prices, but in stability of prices over reasonably long periods of time."

A. H. Cameron of Saunders Cameron Ltd.:

"Neither labor nor industry could constantly obtain increases (in wages and prices) unless there was a sufficiently large money supply to finance production at the new increased prices."

They Suggest These Weapons In the Battle

(CONTINUED FROM P. 7)

might be a good idea to impose new limits.

"They might be repealed, just as the old ones were. But it would be a red light, and Parliament could examine the Governor of the Bank of Canada to see if the change was merited for reasons of monetary policy or for reasons of debt management . . ."

Statutory limit on the money supply:

Mr. Cameron advances the same argument in favor of having a legislative limit on the money supply.

"Legislation," he said, "would have more effect on public confidence than platitudes against inflation."

Remove all 'limitations on banks' interest rates:

A. H. Lemmon, president, Dominion Mortgage and Investments Association:

"A ceiling is an artificial thing; and if any rate of interest is to perform the function of a market rate then there should be no artificial limits on it one way or the other."

Public education:

The Chamber of Commerce described its program of public information about the dangers of inflation. Others urged more explanations of public policy by the Bank of Canada and the government.

"The will to prevent inflation must be kept vital," said the CMA.

"There must be a continuing new force at work in this field charged with appraising the long-term significance of private and public policies in relation to the nation's best interests," said D. E. Kilgour, president of **Great West Life.**

An impartial board, he suggested, should be set up of sufficient weight to influence both governments and industry and labor.

"They could give sound advice: I don't mean control," he said. "Such a group could give completely unbiased, impartial, judicial judgments."

Selective controls:

Advocated by the CLC. The only specific suggestion, however, was a variable rate of depreciation — low allowances in boom times and high in slack times. One of its conclusions asks for:

"A study of non-monetary selective controls to deal directly with specific inflationary pressure as they arise."

Discourage capital inflow; hold the dollar at par:

R. M. Fowler, president of the Pulp and Paper Association, linked inflation to the exchange premium on the dollar.

"The old rule was that an adverse trade balance operated to depreciate the currency. Instead we have had a premium on the Canadian dollar caused by the heavy inflow of investment capital to Canada.

"I cannot venture to suggest steps to be taken to reduce this burden of the exchange premium on the export industries.

"I would not suggest a return to formal exchange control.

"But if it were an accepted objective of Canadian fiscal policy that the Canadian dollar should be at par with the American, much might be possible by informal and varied means.

"Perhaps steps could be taken . . . to regulate the pace of capital inflow so as to avoid the dislocations caused by a high premium on the Canadian dollar."

Political restraint:

Many witnesses and several of the Senators spoke of the necessity for politicians to resist promising new expenditures and to accept the unpopularity of doing things necessary in the national interest.

The CMA lambasted:

"The competitive efforts of political parties to buy popularity at the polls through promises of more and more state hand-outs to this or that group of voters."

A. H. Cameron:

"The findings of the Senate Committee will no doubt increase public understanding and strengthen the forces which want a stable dollar even at the expense of fewer benisons from government.

"Let us hope so, before we alter not only our system of government and finance beyond recognition, but lose our export markets too.

"We have been dishonest with ourselves for too long, believing that we could get something for nothing."

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New Fight For Colored Margarine

From Our Own Correspondent

WINNIPEG — Edible oil farmers of south central Manitoba, whose 1958 crops yielded more than half what farmers got for their creamery butter, are demanding removal of the color ban on margarine.

The contentious question of colored margarine is now before the Legislature for the eighth time since the former Campbell government put on the prohibition.

A bill to repeal it has been introduced by R. E. Seaborn, Conservative member for the Winnipeg constituency of Wellington.

A similar bill was introduced at seven previous sessions and each time rejected on the ground colored margarine would hurt the dairy industry.

With the changing farm picture during the last 10 years this new group in agricultural production is asking that oil seed farmers "be given their rightful place as free citizens along with the all-important dairy industry."

The rural campaign in support of Seaborn's bill is being directed by **Co-Op Vegetable Oils Ltd.,** whose plant at Altona was built to process oil crops of the district.

Since it started production has developed rapidly.

Its total value in 1958 was nearly $15 million, a 50% increase over 1957, more than half the value of creamery butter production, half what farmers got for their barley and more than half the value of the oat crop.

Whatever happens to the present bill it has a better chance of getting by the Legislature than those which preceded it.

This time there are several rural members who felt they had to vote against it to protect the dairy industry.

This time they will have to vote for it to help a competitive one which has developed in the years since the color ban was imposed.

WELDING CENTRE

Eutectic Welding Alloys Co. of Canada has opened a welding service centre and warehouse on Torbarrie Rd., Downsview, Ont. The new facilities will provide laboratory, schooling and consultation services for the Metropolitan Toronto area.

Saddlery Raises $805,000 Selling Treasury Shares

Great West Saddlery Co. recently completed its proposed financing through the private sale to four unnamed shareholders of a total of 100,655 common shares at $8 per share. No further financing is imminent.

The funds were used to reduce bank loans. Under earlier requirements, company was obliged to raise at least $600,000 within three months of April 3, 1959.

Due to the difficulty of producing a prospectus before the period expired, the sale was made from the private holdings of J. A. H. Paton, president, and D. Hubert Cox, vice-president.

Paton and Cox then subscribed $8 per share for 100,655 shares from the company's treasury, the shares being held in escrow until a prospectus has been filed. Stock has been trading recently around $8¾ per share.

Filing of the prospectus is not likely before the fall, FP understands. It is probable that it will disclose the names of the four purchasers.

The financing has increased the number of shares outstanding from 398,710 at April 30 to approximately 500,000. Authorized capital is one million.

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*Source: Sales Management's Survey of Buying Power

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Merger Law Delay Welcome on Coast

Vancouver Board of Trade sees dangers in new bill, as lumber firms plan amalgamation . . .

From Our Own Correspondent

VANCOUVER — Mergers — and legislation aimed at blocking them—are of special interest here.

Vancouver Board of Trade was one of the groups which successfully urged Justice Minister Fulton to hold back on anti-merger legislation now before parliament. (The merger sections of the bill, this week were postponed until the next session of Parliament.)

The appeal, although unrelated, coincided with disclosure that **MacMillan & Bloedel** and **Power River** are planning amalgamation in what would be one of Canada's biggest industrial unions.

Simultaneously, also, the Justice Minister said that the combines branch would make a routine investigation of the proposed M. & B. - Powell River merger.

Of particular interest was the Vancouver Board's analysis of proposed amendments to the anti-combines laws.

Board general manager Reg. T. Rose saw a number of dangers in Bill C-59.

Here are some of the points he made:

- **The legislation appears to consider all mergers "pernicious** in themselves, whereas in fact they are one of the commonest and most desirable means of adjusting business and industrial organization to meet changing times and conditions."
- **The bill would give foreign corporations "extraordinary and undesirable advantage** over Canadian corporations merging to operate on a scale sufficient to compete with foreign corporations operating in Canadian and world business."
- **It would have a "serious effect" on Canada's export market.**
- **A panel of eminent legal counsel in Vancouver** find that they cannot interpret the bill, in its present form, so as to advise clients with any certainty regarding its meaning in specific cases.
- **The legislation can work against** "the natural and legitimate developments of small businesses and affect small business in other important ways; for example, when the exigencies of retirement or of the provision of succession duties makes such a course as merger or sale the only sound possibility."
- **The bill disregards the "ordinary legal right** and practice that the onus of proof is on the prosecution and not the defendant."

Forest industry observers here generally agree that if MacMillan and Powell River had not taken steps to merge, it is probable that in time one or the other — or both — would have had to ally itself with a major U. S. company to compete with world forest giants, notably those in the U. S., on an **equal footing.**

Here is the revealing British Columbia record:

Rayonier Inc., of the U. S., took over the Vancouver-based **Alaska Pine & Cellulose Ltd.** (two pulp mills).

Scott Paper Co. of the U. S. has taken a substantial interest in **B.C. Forest Products** (pulp mill, four sawmills, over 3,500 million ft. of timber).

Crown Zellerbach Corp., San Francisco, took over **Canadian Western Lumber**, and now has in B.C. pulp and paper mills, plywood, shingles, paper products plants.

Columbia Cellulose (pulp mill and 660,000 acres of timber) and **Celgar** (with sawmills and 960,000 acres of timber, and now building a huge new pulp mill in interior B.C.) are subsidiaries of **Canadian Chemical & Cellulose Co.**, which is a subsidiary of **Celanese Corp. of America.**

More recently, **Georgia-Pacific Corp.** is preparing to take a substantial share interest in **Western Plywood** (three plywood plants and a large amount of timber contained in a government-granted forest management license or tree farm.)

Rough calculations show that M. & B. - Powell River would rank about 11th on the continent in size in the industry on the basis of sales of about $225 million.

Here are bigger firms:

Company	Sales ($ millions)
International Paper	910
Crown Zellerbach	460
Weyerhaeuser Timber	420
St. Regis Paper	360
Kimberly-Clark	360
Container Corp.	259
Scott Paper	275
Celanese Corp.	265
Mead Corp.	250
Bowater Corp.	250

But **MacMillan, Bloedel & Powell River Co.** would be bigger than **West Virginia Pulp & Paper, Abitibi** and **Rayonier.**

The business community is asking itself many questions about the Vancouver forest companies' pending union:

- **What will be the dividend policy** of the new company? (Powell River's policy has been more liberal than M. & B. in the past.)
- **Will the union mean layoffs** at any level, say, middle executive level?

And the B.C. towboat industry is watching developments with concern. Powell River does its own towing through its tug boat subsidiary, **Kingcome Navigation Co.**

M. & B. now distributes its towing between several independent firms, notably **F. M. Yorke & Son Ltd., Straits Towing Ltd., Island Tug & Barge Ltd., Gulf of Georgia Towing Co. Ltd.,** and **Vancouver Tug Boat Co.**

- **Will Kingcome be expanded** to handle the bulk of the business?

As regards composition of the board of directors of the new company, possibly an indicator of policy, here is the probable lineup:

H. R. MacMillan, now chairman of M. & B.'s finance committee, will be honorary chairman of the board; J. V. Clyne, now M. & B.'s chairman, will hold the same post in the new company; Harold S. Foley, now chairman of Powell River, will be vice-chairman; M. J. Foley, now Powell's president, will be president of the new company; Ralph M. Shaw, now president of M. & B., will likely be executive vice-president.

Canada Trust Inaugurates Pooled Fund

A new two-part pooled investment fund has been launched by **Canada Trust Co.**

The new Canada Trust Investment Fund is designed for agency accounts, employer-employee savings plans, and for individual investors.

Participants may invest in either fixed income units, or in equity units, each with an original value of $20. Minimum purchase is five units.

The new fund is similar to a mutual fund in that it represents a share in a diversified pool of investments.

It differs in that purchase and redemption of units may be effected only on the last business day of any month, and at net asset value. There is neither an acquisition charge nor a discontinuance charge.

Administration cost has been established at 0.75% of assets per annum. "Deposits" in the fund are not exempt from income tax; dividends received in respect of Canadian corporations are eligible for 20% tax credit.

Fund came into operation June 30. Annual report will be dated Dec. 31.

ANNOUNCEMENT

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J. B. BROWN | R. A. BROWN | H. S. FOLEY | G. M. GRAHAM | J. MUIR

Alex B. Hill, Toronto, President, Bridge & Tank Co. of Can. Ltd., was re-elected President of the National Heart Foundation of Canada at the annual meeting held recently in Montreal. Mr. Hill also serves the Foundation as a Director and Chairman of the Executive Committee.

Elected to the Board of Directors were: J. Bruce Brown, Montreal, President, Inter City Papers Ltd.; Robert A. Brown, Calgary, President, Home Oil Co. Ltd.; Harold S. Foley, Vancouver, Chairman, Powell River Co. Ltd.; Gordon M. Graham, Toronto, President, Simpsons-Sears Ltd.; and James Muir, Montreal, Chairman and President, The Royal Bank of Canada.

Re-elected Directors of the Foundation were: D. W. Ambridge, Toronto, President, Abitibi Power and Paper; W. Ford Connell, M.D., Kingston, Physician-in-Chief, Kingston General Hospital; Oakley Dalgleish, Toronto, Editor and Publisher, The Globe and Mail; Paul David, M.D., Montreal, Director, Montreal Institute of Cardiology; J. G. Falconer, M.D., Toronto, Medical Director, North American Life Assurance Company; C. P. Fell, Toronto, President, Empire Life Insurance Co.; R. S. Fraser, M.D., Edmonton, Assistant Professor of Medicine, University of Alberta; Hon. Wilfrid Gagnon, Montreal, Chairman, Dow Brewery Ltd.; A. B. Grossman, Montreal, President, Burlington Industries (Canada) Ltd.; J. B. Hammill, Saskatoon, Managing Director, Saskatchewan Mutual Insurance Co.; John D. Keith, M.D., Toronto, Physician-in-Charge, Cardiology Department, Hospital for Sick Children; F. A. L. Mathewson, M.D., Winnipeg, Medical Director, Great West Life Assurance Co.; Gordon P. Osler, Winnipeg, President, Osler, Hammond & Nanton Ltd.; Harold N. Segall, M.D., Montreal, Assistant Professor of Medicine, McGill University; Lea C. Steeves, M.D., Halifax, Director, Division of Post Graduate Medicine, Dalhousie University; and H. P. Weatherill, Vancouver, Assistant Supervisor, The Royal Bank of Canada.

Trust Firms Seek Money Hike Interest on Savings

A number of trust companies are considering increases in the rate of interest paid on savings, to attract new money and to bring their rates closer to prevailing high levels.

Two companies have already increased their interest rate on ordinary savings accounts.

Some others have boosted the interest paid on their guaranteed investment certificates.

One Toronto firm, **Crown Trust Co.**, has introduced a "monthly interest account" paying 3% per annum interest compounded monthly, on accounts of $2,000 or more.

Crown Trust continues to pay 3¼%, computed on minimum half-yearly balance, on its ordinary savings account.

Chartered Trust Co. recently increased its interest rate on savings accounts to 3½% from 3¼%, calculated on minimum half-yearly balance.

Toronto General Trusts Corp. has also boosted its savings interest rate to 3½% on minimum half-yearly balance. Previous rate was 3%, computed quarterly.

Here are interest rates and bases of computation, now being paid by some leading trust companies:

	—Savings Deposits— Interest rate %	On min. balance (months)	—Certificates— Typical term (years)	Interest rate %
Canada Perm. Trust, Mtge.	3	3	1-5	5¼
Canada Trust	3	6	1-5	5¼
Chartered Trust	3½	6	1-5	5½
Crown Trust	3¼	6	1-5	4¼
Guaranty Trust Co. of Canada	3	6	1-5	5¼
Halton & Peel Trust & Savings	3½	3	1-3	5¼
National Trust	3½	6	5	5
Ontario Loan & Debenture	3	6	1-5	5½
Premier Trust	3½	6	1-5	5½
Sterling Trusts	3¼	3	3-5	5¼
Toronto General Trusts	3½	6	5	5½
Waterloo Trust & Savings	3	3	3	5¼

40-hr. Work Week In Newfoundland Offices, Stores

From Our Own Correspondent

ST. JOHN'S — Office and shop workers in St. John's will work a five-day, 40-hr. week from Jan. 1, 1960.

This was covered by Legislation introduced by Premier Smallwood in the House of Assembly.

Some 2,000 workers are affected. At present the majority work a 44-hr. week.

A new holiday roster for civil service employees was also announced. They get all Saturdays off plus 11 statutory holidays.

NEW CMHC OFFICE

Central Mortgage & Housing Corp.'s Orillia, Ont., office has been relocated at Barrie, Ont. Change follows CMHC policy of locating its offices where NHA operations can be carried out most economically without curtailment of any necessary services to the public. The Barrie office will be responsible for National Housing Act lending operations in Simcoe, Dufferin and Grey counties and the district of Muskoka. Address is 11 Collier St., and postal address Box 578.

Canadian Auto Production

	Week Ending July 4	Same Week 1958	Year To Date 1959	Year To Date 1958	% Change To Date
CARS					
General Motors:					
Buick	102	186	5,572	8,060	
Chevrolet	1,528	1,132	50,742	49,793	
Oldsmobile	222	139	9,942	9,451	
Pontiac	1,300	979	41,718	37,241	
	3,152	2,436	107,972	104,545	+3
Ford:					
Edsel	18	...	1,574	1,008	
Ford	1,164	...	31,927	31,817	
Mercury	70	...	4,044	3,448	
Meteor	558	...	20,571	14,710	
Monarch	58	...	3,324	...	
	1,868	...	61,440	50,983	+20
Chrysler:					
Chrysler	106	...	4,112	2,074	
Desoto	15	...	770	648	
Dodge	452	...	13,637	12,494	
Plymouth	358	...	10,724	12,208	
	931	...	29,243	27,424	+7
Studebaker-Packard:					
Studebaker	192	72	4,307	2,068	+118
Total cars	6,143	2,508	203,162	185,019	+10
TRUCKS					
General Motors	743	339	20,797	13,943	
Ford	373	...	10,355	8,976	
Chrysler	154	102	4,239	3,585	
International	235	179	8,069	5,701	
Total trucks	1,505	620	43,460	32,205	+35
Total cars, trucks	7,648	3,128	246,622	217,220	+13

Source: Canadian Automobile Chamber of Commerce.

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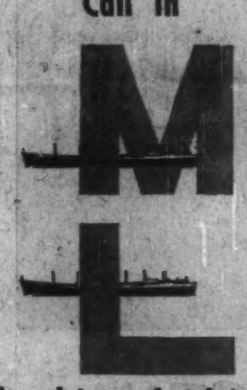

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ANNOUNCEMENT

HONEYWELL APPOINTMENT

A. E. ANDERSON

A. E. Anderson has been appointed to the newly-created post of Market Manager for the Residential Division of Honeywell Controls Limited, it has been announced by J. D. Grant, Residential Division Sales Manager. In his new post, Mr. Anderson will be responsible for sales development of the many new products now being introduced by Honeywell for home use. Mr. Anderson, a graduate in electrical engineering from the University of Manitoba, was formerly senior Residential Division Sales Engineer in Honeywell's Winnipeg office.

Canadians Will Engineer Venezuela Hardboard Mill

Competing with consulting engineers from all over the world, **Columbia Engineering Ltd.**, Vancouver, has been appointed project consultant for a hardboard mill in Venezuela by **Tablopan de Venezuela.**

The mill, already off Columbia's drawing boards and nearing the contract-letting stage, will be close to a Tablopan refinery at either El Palmar or Santa Therese.

It should be in production by the fall of 1960.

More about Canadian engineers abroad, p. 24.

Initially, production will be 20 million sq. ft. of hardboard and 10 million sq. ft. of particle board annually.

Covering five acres, the plant is so highly automated that it can be operated by 10-man shifts. It will use local "bagasse" —sugar cane waste—as raw material.

Officials foresee the new industry making the hitherto valueless bagasse as important to the country's economy as the sugar cane itself.

Quality of the board is said to be on a par with wood-chip types, but is unlikely to be competitive with Canadian or U. S. board because of its shipping limitations.

Venezuela's growing domestic market will absorb the mill's production for some time and later it could export to Caribbean markets.

Formed in 1946, Columbia is headed by Peter Vajda as president. Associated with him are Ian Kay, David Jennings, and Donald Lengel who head the company's Eugene, Ore., offices.

Columbia was consultant on a similar bagasse project in Cuba, designing and supervising construction of a hardboard mill for **Cuban Bagasse Products S. A.**

This plant will produce 30 million sq. ft. annually and enable associated sugar mills to boost sugar-recovery by some 3%.

Four Columbia-designed plants using wood waste are operating in the U. S. and the company is currently consulting on two more, as well as two in Canada and one in Australia.

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Direct or Agency Insurance Sales?

Firms with outside agencies work to meet competition from direct-sellers . . .

By H. R. SUYDAM

Just how big a threat do general insurance companies selling direct to the public pose to companies who sell their policies through agents?

This question is popping up in insurance circles with increasing frequency these days.

On the answer to it hangs a traditional way of doing business — the agency system — and the future of the fire and auto insurance companies and their agents who subscribe to it.

Some agency companies, pointing to the great strides made by some direct-writers in Canada over the past five years, say the writing is already on the wall.

Many are determined to do something about it, to keep the agency system and its benefits strong.

As a result, you can expect a greater interest in expense-cutting, possibly through such means as more direct billing by the insurers and lower commissions paid to agents.

Also contemplated by the companies is the introduction of new classes of business aimed at regaining some of the preferred risks lost to the direct-writers.

Direct-writers' said the president of one long-established agency company recently, are taking both the quantity and the quality of auto insurance in this country.

He cited figures for five "Board" and five "Conference" companies (both groups operate under the agency system) and for four direct-writing companies to show growth in the years 1955 to 1957.

Premium income of both the Board and Conference companies increased by 10% during the period. That of the direct-writers was doubled.

Loss ratio (the ratio of claims incurred to premiums earned) averaged 67% for the Board companies, 53% for the Conference companies and 66% for the direct-writers.

Loss ratio for the sample of direct-writers, he added, was for strictly comparative purposes, really much lower since the majority of their business was written at lower rates.

The competitive advantage enjoyed by the direct-writers through their ability to market their product at a lower unit cost, would continue, he felt, unless agency companies took firm steps to lower production costs.

Other insurance companies subscribing to the agency system are not particularly alarmed.

They point to the relatively small share of total business done by the direct-writers (some 6.4% in 1958), and the fact that it has decreased slightly since 1956.

Premium income of all companies writing fire, auto and casualty insurance in Canada has risen 28% since 1956. Net premiums earned by the direct-writers in the same period are up 25.6%.

In the past five years, however, premium income of the 20-odd direct writers operating in this country has risen almost 75% to top $49 million. That of all companies in the general insurance field increased 47% to some $760 million.

A large part of the gains made by the direct-writers since 1954, and no little of the apprehension felt by some agency companies, is due to the rapid expansion of one company in particular — **Allstate Insurance Co.**

In 1954, Allstate's first full year of operation in Canada as a resident company, premium income amounted to $1.9 million. Last year, company's premium earnings topped $12 million, a gain of 530%.

Primarily an auto insurer, Allstate ranked second of all companies writing this type of business in Canada.

Other large direct-writers showing substantial growth since 1954 are **State Farm Mutual Auto Insurance Co.** (premium income up 105% to $4.7 million); **Co-Operators Insurance Association** (up 196% to $3.6 million); and **Merit Insurance Co.** (up 26% to $8.4 million).

Of equal importance with this growth in sales has been the direct-writers' ability to turn in a profit.

With the exception of those companies mainly writing accident and health insurance, in 1958 the agency companies as a whole racked up a net underwriting loss of over $13 million.

The direct-writers, on the other hand, closed the year with a net underwriting profit of about $3.5 million.

Largest underwriting gain of any individual company selling insurance in Canada last year (other than life) was Allstate's $1.4 million.

Asked by **FP** to account for last year's successful operations, an Allstate official attributed it to three factors:

- A reasonably-priced product.
- Aggressive advertising.
- Uniform and efficient methods of management.

The success of the direct-writers in what was by insurance standards not a good year, is prompting the rest of the industry to take a hard look at their own practices.

Most companies are anxious to see the agency system continue. But they feel that unless immediate steps are taken to reduce the expense factor, ground will be lost steadily to their competitors.

B.C. Oil, Gas Land to Yield $2.5 Million

From Our Own Correspondent

VICTORIA — Watch for some hot bidding for British Columbia oil and gas lands here July 30.

On the block: Rights to some 336,000 acres in northern B. C.

Of particular interest, are 10,400 acres in the Kotcho Lake district.

That's the region where **Gulf States** brought in its huge gasser a few weeks ago — possibly the world's biggest.

The sales should realize some $2.5 million for the British Columbia government. But this figure may need revising upward if the bidding meets expectations in some petroleum circles.

The sale includes 45 parcels, ranging from 60 to 59,420 acres, and including 27 petroleum and natural gas leases, 13 drilling reservations and five permits for development and exploration work.

Some 4,566 acres are in the Boundary Lake region and about 695 are in the Milligan Creek area. These two regions are the site of established oil fields.

The land involved stretches from the Peace River district northward to the Yukon boundary.

ANNOUNCEMENT

UNITED STEEL APPOINTMENT

A. JOEDICKE

Mr. A. G. House, President, United Steel Corporation Limited, has announced the appointment of Mr. A. Joedicke to the newly created post of Vice-President, Structural Divisions. Mr. Joedicke will supervise the operations of the two structural steel companies in the Corporation, Standard Steel Construction Company Division, and London Steel Corporation Co., Limited, Subsidiary, (of which he is also General Manager).

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THE INVESTMENT FUNDS

Grouped Income Shares Net Assets Rise 5.3%

Grouped Income Shares Ltd., Vancouver, net assets at May 30, 1959, totaled $8,506,903, an increase of 5.3% over $8,078,816 reported three months earlier.

Net asset value per share was virtually unchanged during the quarter at $4.

During the quarter ended May 30, 1959, the fund added one bond issue and reduced one.

Three common stocks were added to the portfolio and four were sold.

Holdings in 19 others were increased and reductions were made in three.

No changes were made in preferred stock holdings.

Here are changes in detail for the quarter:

	Amount held at May 30/59	Change since Feb.28/59
	$	$
Bonds:		
Govt. of Canada 3¼%, 65	25,000	—300,000
Woodward Stores 5%, '77	52,000	+52,000
Common:	——	Shares ——
Lockheed Aircraft	1,700	+300
Babcock & Wilcox	500	—2,328
Ford of Canada A	2,300	+200
Carter Products	1,100	+300
Reichhold Chemicals	2,000	+1,500
Dom. Tar & Chemical	16,300	+7,800
Gypsum, Lime & Alabastine		—3,900
Standard Paving	3,190	+440
Gen. Tel. & Electronics	3,400	+3,400
International Tel. & Tel.	2,200	+1,500
Raytheon Mfg. Co.	1,335	+835
Sylvania Electric Prod.		—3,400
Massey-Ferguson	14,500	+1,500
Can. Bank of Commerce	2,030	+2,030
Indust. Accept. Corp.		—2,700
Royal Bank of Canada	1,500	+800
Toronto-Dominion Bank	2,200	+1,700
Traders Finance A		—775
Do. B	1,000	—300
Simpsons Ltd.	4,800	+2,800
Cons. Mining & Smelting	1,000	—1,400
Geco Mines	4,000	+1,100
Noranda Mines	2,500	—500
British American Oil	5,300	+300
Imperial Oil	2,500	+2,500
Interprovincial Pipe Line	3,600	+300
Trans Mtn. Pipe Line	6,500	+1,000
Abitibi Power & Paper	5,075	+875
Page-Hersey Tubes	7,400	+900

First Oil & Gas Fund Assets at $1.7 Million

First Oil & Gas Fund Ltd., Calgary, Alta., reports net asset value of its investment portfolio at $1,737,048, at June 30, 1959.

Net asset value per share was $4.49 on 387,001 shares outstanding.

Mutual fund was incorporated April 27, 1959, with an authorized capitalization of 1,999,000 special shares, par $1, and 1,000 common shares, par $1 (**FP**, May 30).

Here is fund's portfolio at June 30:

At June 30:	Amount
Bonds:	
Dalhi, can.	$70,000
Common:	
Alberta Gas Trunk Line A	2,900
Anglo American Exploration	3,000
Bailey Selburn O. & G. A	6,000
British American Oil	2,900
Calgary & Edmonton Corp.	1,500
Canadian Husky Oil	3,750
Canadian Oil Cos.	1,900
Can. Superior Oil of Calif.	2,275
Central-Del Rio Oils	5,000
Dome Petroleum	3,500
Hudson's Bay O. & G.	2,300
Imperial Oil	2,600
International Utilities Corp.	2,400
Interprovincial Pipe Line	1,775
Medallion Petroleums	16,200
North Star Oil A	2,250
Texaco (Canada)	1,275
Trans-Canada Pipe Lines	2,600
Trans-Mountain Oil Pipe Line	3,200
Triad Oil	9,000
Union Gas	4,500
United Oils	15,000
West Can. Oils & Gas	5,800

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WEIGHT GAINING	A scientific plan for new vitality
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Seek Authority To Race Dogs In Winnipeg

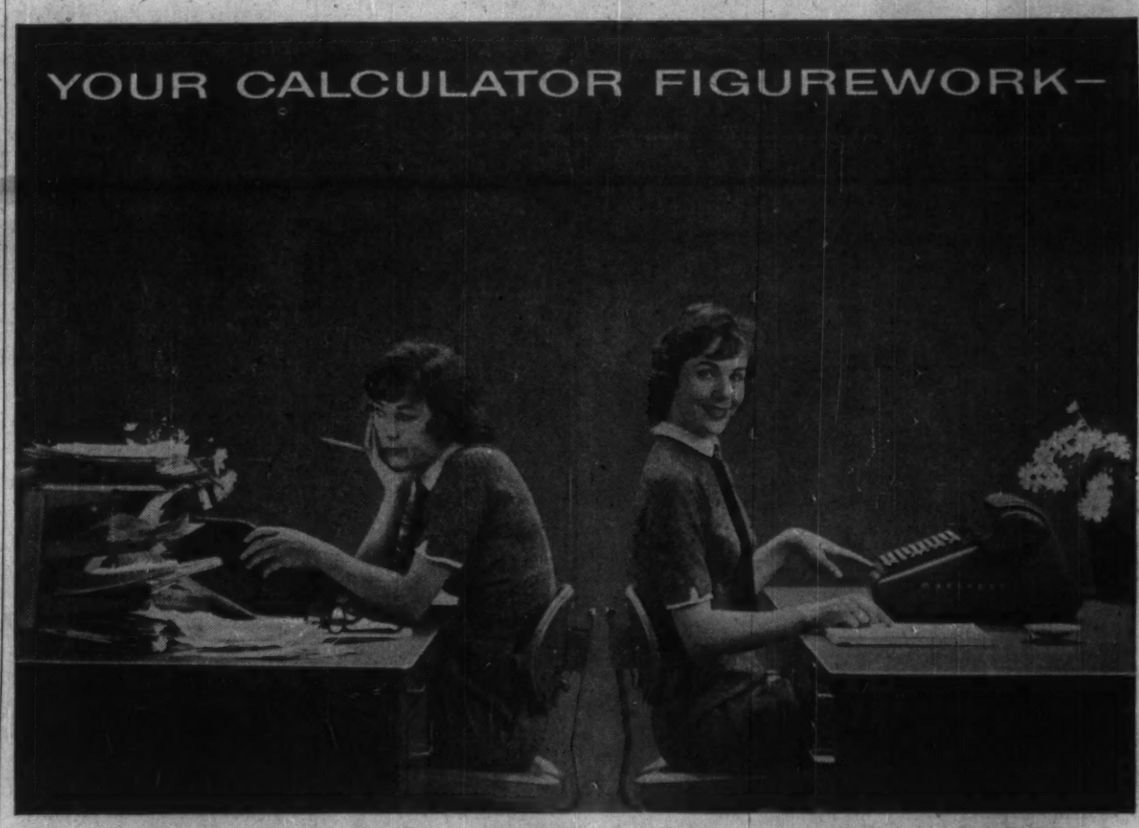
From Our Own Correspondent

WINNIPEG — Dog racing in Winnipeg with pari-mutuel betting may be on the way if the Legislature grants an application for a private bill to incorporate an association to conduct it.

A petition has been filed by Robert E. Stewart, manager of the Red River Exhibition, and two of its directors, Mark H. Danzer and Harold T. Martin, for incorporation of **Red River Greyhound Racing Association** with an authorized capital of 1,000 npv shares.

It seeks power to "promote, assist, establish and conduct dog racing of all kinds and to conduct dog race meetings."

YOUR CALCULATOR FIGUREWORK—



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Monopoly in the Skies May Hit Our Air Lines

MONTREAL (Staff) — Are the world's airlines flying into monopoly troubles?

This is a question that is beginning to worry some airmen.

Since the war the operations of International Air Transport Association—made up of world airlines — have from time to time produced some angry opposition.

Particularly annoying to some countries has been the power of IATA to control international fare rates.

While membership in IATA is voluntary, it is almost impossible for an individual airline to break away and operate independently because IATA smooths out the otherwise insurmountable barriers of international civil aviation operations.

Recently there have been a number of other moves by world airlines that have led to further criticism. They are:

• The formation of **Europair.** This is a pooling of service between four of Europe's leading carriers, **Air France, Lufthansa, Alitalia** and **Sabena** (FP, June 6).

• The pooling of equipment and servicing between **Swissair** and **SAS** — itself a combination of Swedish, Norwegian and Danish airlines.

• An agreement between **American, Capital, Eastern, Pan American, Trans World** and **United Airlines** in the U. S. to give each other financial assistance if one or more is hit by labor troubles.

Many airline men feel this is a growing trend and that other pooling pacts will be announced in the months ahead.

Supporters of the pooling plans point out that with the cost of new equipment the only way any line can show a profit is to assure a high rate of utilization — and that means using one plane on a greater number of runs than a single airline can supply.

This presents particular difficulties for the unpooled operators.

TCA, for instance, might find itself fighting for transAtlantic traffic against Europair which has the men and planes to offer a far greater frequency every day over the route.

So far pooling has won no friends in Canada, the U. K. or the U. S. Holland's **KLM** attended initial Europair discussions, then backed out.

If the new combinations prove as effective as their planners hope, airmen can see a possible move to the courts by some unpooled lines. It is not inconceivable that monopoly or cartel charges could be made to stick.

Last year's air fares squabble was settled for the time being by adding a forced surcharge on jet air travel. But it pleased neither the jet operators who argue it is grossly unfair, nor the non-jet lines which argue it is quite inadequate.

But either way it seems to skate close to price fixing and could lead to eventual trouble.

One airline executive summed it up this way for **FP**: "It would have been quite impossible for international air transport to have grown at the rate it did without the services of IATA. We can't keep up the services today without some sort of central body.

"But the airlines are growing up into a tough business. It is easy to see a situation developing in which one or more of the independents is under extreme pressure from Europair and isn't allowed to fight back with cut rates because of IATA.

"When that happens something is going to have to give."

ANNOUNCEMENT

JOHN N. BROWN

John N. Brown, President and General Manager of Bancroft Lumber Limited, has been appointed President by the Board of Directors of the newly formed Company, Osmose Pressure-Treated Wood Products (Ontario) Limited. The plant is located at Bancroft, Ontario.

"We obtained from the Osmose Wood Preserving Company of Canada Limited a licence to use their pressure-treating equipment, their preservatives and trade name, after observing the outstanding success of Osmose Licencees in the United States," Mr. Brown explained. "We have every confidence that we will enjoy equal success," he continued, "since there appears to be a great market in Canada for pressure-treated wood that is not only rot-resistant, but clean to handle, and fire retardant as well."

In addition to his interest in Bancroft Lumber Limited, Mr. Brown is Secretary of Bancroft Concrete Products Limited. He has been Reeve of the Municipality of Bancroft for the past three years, and is presently Warden of Hastings County.

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POST TRAVEL BUREAU

Where to go – how to go – where to stay

Royal Visit Puts Yukon On the Map

You'll find new and old attractions along the famed Trail of '98 . . .

By BEATRICE RIDDELL

Modern sourdoughs are flocking to the Yukon. The Klondike is "on the map" again.

But today it is more than gold that glistens. Fortune seekers are coming for oil, gas, silver, lead, zinc and other minerals. Millions of dollars are being poured into the area each year for roads, airports, new buildings and modern equipment for extracting the riches of the earth.

But visitors are coming with cameras as well as exploration permits. Tourism is becoming an important, and much-needed secondary industry.

Last year, when the Yukon celebrated the 60th anniversary of the memorable Gold Rush, tourists from all over the continent came to join in the celebration. But this year, by mid-June, there had been more than twice as many visitors as during the whole of the 1958 summer season.

With a Royal Visit (July 18 and 19) and Statehood celebrations in neighboring Alaska to further spark interest in the area, a tourist bonanza is in sight.

Tourism has some energetic supporters. One is Roy Minter of the **White Pass and Yukon Route Railway** who was leading organizer of last year's anniversary celebrations.

Another is American Charles B. (Chuck) West who operates a wide variety of tours in the Yukon and Alaska.

The Yukon is a fresh, unspoiled playground offering mild climate and long days (20 hr. of sunlight) during the summer, magnificent mountains, lakes, fjords, vast forests and the romantic Klondike Saga.

There is excellent hunting — more wild animals than people. And rivers and lakes are teeming with Arctic Greyling, giant lake and rainbow trout.

And although it is not a luxury resort, the Yukon is no snowbound backwoods.

There are good hotels and motels — especially in Whitehorse, Dawson and Mayo — with rates comparable to those in major Canadian centres. There are fine hunting lodges as well as camping grounds with excellent facilities.

Whitehorse, the capital and transportation centre is a modern, bustling city. But it has many reminders of the past.

You can see some of the old sternwheeler steamships — last survivors of the great Gold Rush flotilla. Don't miss McBride Museum with its impressive collection of Klondike relics.

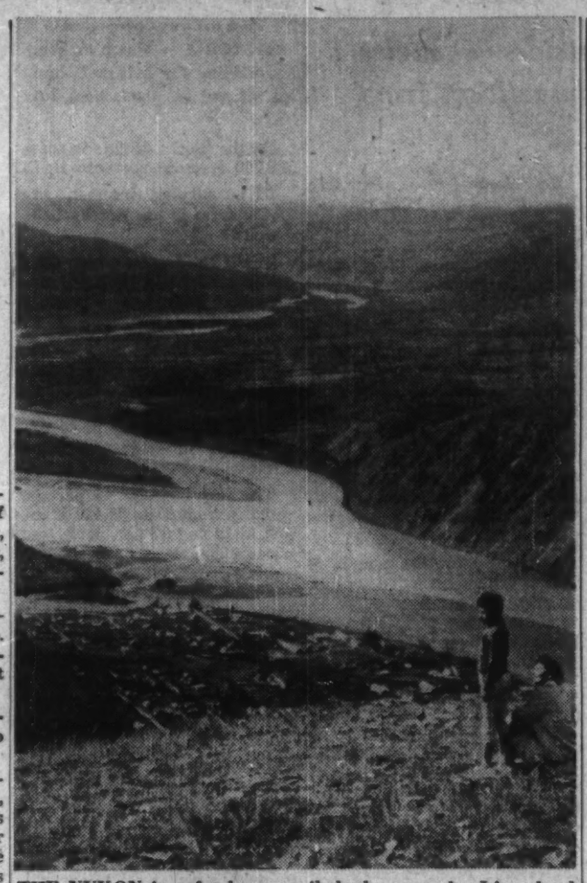
Nearby is the fabulous Miles Canyon, where the boiling waters of the Yukon River swirl past spectacular cliffs.

Another popular tour from Whitehorse leads to Carcross and Atlin, historic Gold Rush towns set in lovely mountain-and-lake scenery.

Dawson City, the old capital, is the heart of the Gold Rush country. Visit the old saloons and Nugget Dance Hall, immortalized by Robert W. Service — bard of the Klondike. Drive the "golden route" along Bonanza Creek or climb the "Midnight Dome" for a spectacular view of the region.

One of the favorite Yukon tours is by diesel train (White Pass and Yukon Route) from Whitehorse over the famous "Trail of '98" to the Alaska seaport of Skagway.

A stop is made at Bennett on mountain-bordered Lake Bennett for a mammoth home-cooked meal featuring northern delicacies such as moose steaks.



THE YUKON is a fresh, unspoiled playground. It's a land of breathtaking views, like this one from Midnight Dome, a mountain lookout point above Dawson City.

Leave Whitehorse one day, spend the night in Skagway and return the following day. Roundtrip fare, including lunch, is $30.

The Yukon is easily accessible.

The Alaska Highway, maintained by the Canadian Army, is a good gravel road. Plans for paving are being considered. The Highway, which starts at Dawson Creek, B.C., has accommodations, restaurants, camping sites and gasoline stations.

You can fly to the Yukon. **CPA** offers daily (except Sunday) service from Vancouver and Edmonton. Return fare from either city is $150.

Pan American flies twice a week from Seattle for the same fare. And a number of other U. S. airlines fly to Alaska.

Another popular approach is by steamer. Coastal summer cruises are operated by **CPR, CNR** and **Alaska Cruise Lines** from Vancouver along the inside passage to Skagway. From Skagway you travel overland to Yukon. Roundtrip cruise fares start at about $205 to $225.

Canadian Coachways offer frequent bus service and tours along the Alaska highway and between major centres in the Yukon.

There are special package tours and air-sea cruises.

A typical 12-day tour features ship travel from Vancouver to Juneau, air, train and bus travel in Alaska and Yukon and return to Vancouver by ship. Cost $132 per person plus steamer fare.

A 17-day Alaska-Yukon tour, starting from Seattle by air, returning to Vancouver by ship costs $620 per person, all-inclusive.

Your Dollar Is Worth . . .

(Rates relative to the Canadian dollar)

	Recent	Month Ago
Argentina, Peso paper	.0109	.0119
Australia, Pound	2.158	2.168
Austria, Schilling	.0373	.0372
Bahamas, Pound	2.7049	2.7202
Belgium, Franc	.0192	.0193
Bermuda, Pound	2.6982	2.7135
Brazil, Cruzeiro	.0074	.0074
Chile, Peso	.0009	.0009
China, Peoples Dollar	.3934	.3951
Colombia, Peso	.1218	.1204
Cuba, Peso	.9594	.9638
Czechoslovakia, Crown (1)	.1344	.1350
Crown (2)	.0681	.0681
Denmark, Krone	.1395	.1402
Dominican Republic, Peso	.9594	.9638
Egypt, Pound	2.7630	2.7852
Finland, Finmark	.0030	.0030
France, Met. France	.00197	.00199
Germany (East), Ostmark (1)	.4317	.4338
Ostmark (2)	.2290	.2301
Germany (W't) Deutschemark	.2296	.2306
Greece, Drachma (new)	.0319	.0321
Haiti, Gourde	.1918	.1928
Hong Kong, Dollar	.1476	.1487
Iceland, Krona	.0190	.0593
India, Rupee	.2027	.2038
Israel, Pound	.5372	.5397
Italy, Lira	.0016	.0016
Jamaica, Pound	2.7049	2.7202
Japan, Yen	.0027	.0027
Mexico, Peso	.0769	.0773
Netherlands, Guilder (Florin)	.2544	.2557
Netherlands West Indies, Guilder (florin)	.5088	.5112
New Zealand, Pound	2.4881	2.7033
Norway, Krone	.1350	.1356
Pakistan, Rupee	.2029	.2037
Panama, Balboa	.9594	.9638
Peru, Sol	.0355	.0361
Philippines, Peso	.4796	.4819
Portugal, Escudo	.0336	.0339
Puerto Rico, Dollar	.9594	.9638
South Africa, Pound	2.70	2.72
Spain, Pesata (1)	.0229	.0230
Pesata (2)	.0171	.0172
Sweden, Krona	.1855	.1864
Switzerland, Franc	.2226	.2229
Turkey, Pound	.1069	.1071
United Kingdom, Pound	2.6982	2.7135
U.S.S.R., Rouble (1)	.2398	.2410
Rouble (2)	.0959	.0964
Venezuela, Bolivar	.2281	.2894
West Indies Federation (except Jamaica), Dollar	.5621	.5678
Yugoslavia, Dinar	.0032	.0032

(1) Official or commercial rate.
(2) Non-commercial or tourist rate.
(Rates supplied by Royal Bank of Canada. For business or travel purposes, check your bank for latest rates.)

More Prefer To Go By Air

International travel for 1959 is well ahead of previous years according to **Pan American World Airways.**

For the first five months of this year, the airline reports trans-Atlantic travel 35% ahead of the same period last year. During the peak summer week ending July 4, Pan Am carried 5,700 passengers to Europe — a considerable increase over the corresponding week in 1958.

Travel to other areas also shows big gains. Here are mid-year comparisons with the same period last year, on other Pan Am routes:

Bahamas — up 104%.
Hawaii — up 20%.
Latin America — up 25%.
Puerto Rico — up 40%.
Other Caribbean destinations — up 17%.

Travel to Cuba was off during the first few months of the year, but in recent weeks visitors have been more than in corresponding weeks last year.

—Travel Tips—

A new car ferry has been added to **British Railways'** cross-Channel fleet. The 3,800-ton Maid of Kent can carry 180 cars, 30 motorcycles, 16 motor coaches and 1,000 passengers. One way passage (Dover to Boulogne) for a medium-sized British car is $15 to $20 depending on overall length. Passenger fare: $5.

• • •

Jet planes will soon be on Pacific routes. July 29 **Qantas Airlines** will introduce once-weekly Boeing 707 service between Sydney, Australia and San Francisco. To follow: one service between Sydney and Vancouver and two Sydney-San Francisco-London, England flights per week. **Pan American** expects to have jets flying between U.S. westcoast cities and Hawaii by the end of August, with other jet routes to follow.

• • •

Independent Hotel Representatives Co., of Montreal has opened an office in Toronto's **Park Plaza Hotel.** Mrs. Helen Hay has been appointed manager.

• • •

There are some enticing hotel bargains in Florida during the summer months. At Miami Beach's famous **Fontainebleau,** for instance, a room (double occupancy), breakfast and dinner comes as low as $12 per person per day, compared with the minimum daily rate of $18.50 per person and no meals during the height of the winter season. Good summer accommodation with two meals can be had for less than $5 in the Sunshine State.

• • •

Italy is going in for North American-type motor hotels. A new 40-guest motel-resort, the **Belamotels,** has opened on the Via Cassia a few miles from Rome. Special features: Swimming pool, tennis courts, golf course.

• • •

Cut-rate, round-the-world tour by air and sea is offered jointly by **Scandinavian Airlines System** and **American President Lines.** Under the new plan, passengers buy two one-way tickets (one for ship, the other for plane) but are entitled to the 10% discount normally granted on roundtrip fares only. APL takes you from U. S. westcoast ports to the Orient. SAS flies from the Orient to Europe and back to the U. S. Tourists may circle the globe in either direction.

• • •

To get you in the mood for your trip to South America, Federation of Ontario Naturalists has produced a 12-in., 33 1/3 rpm recording of bird and animal sounds in Venezuela. Spiced with human sounds — local voices and music — the record, titled "A Day at Flores Morades", costs $5.95. It follows a series of four FON records featuring sounds of nature in North America.

• • •

British European Airways has reported its 20 millionth passenger since becoming a separate airline in 1946. BEA, with its extensive network serving Europe and the Middle East, expects to carry three million passengers during 1959, 10 million a year by 1969. Next year, Pure-jet Comet 4Bs will be added to the present all jet-prop fleet.

• • •

One-day package tours (including a 4½-hr. cruise) to the Thousand Islands are offered throughout the summer by **CNR.** Tours start in Toronto on Wednesdays, Thursday and Saturdays, in Montreal on Saturdays. Cost from Toronto $9.70 for adults, $5.25 for a child under 12 years. From Montreal: $8.45 and $4.75.

• • •

The Berlin Festival, scheduled for Sept. 20 to Oct. 6 will feature world premiers, modern and classical favorites in theatre, opera, ballet and concert presentations. Leading artists and companies from many countries will take part in the 1959 version of this important West German annual event.

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Provinces, Ottawa Agree Only on Another Meeting

OTTAWA (Staff) — The 10 provinces "ganged up" on the Federal government at this week's meeting of provincial treasurers, and Finance Minister Fleming was confronted with a demand note for an extra $300 million a year out of federal taxes.

There was unusual solidarity among the provinces about what they wanted. They lined up behind Ontario's demand, from Provincial Treasurer Allen, for 15% of the federal tax on personal income (now, they get 13%), 15% on corporation income (now nine) and 50% of succession duties.

The demands of the provinces are likely to lead to another Rowell-Sirois Commission — a two-year study into all the problems of Dominion-Provincial relations.

The annual extra cost of the 15-15-50 formula, calculated on the latest returns, would be $300 million, of which Ontario would get $120 million.

Only two provinces made a bid to enlarge the kitty beyond this.

• W. A. C. Bennett of B.C. scrambled to the head of the line with a demand for 25% of both personal and corporation income taxes (which would mean 12½ percentage points on corporation income).

• Maurice Duplessis of Quebec didn't talk figures: but he interrupted Mr. Fleming's explanation of the federal government's deficit position to say that was all very well, but this was stolen money: Ottawa's moral obligation to the provinces should come first.

But the most unusual thing about Mr. Duplessis's attitude at this conference was the blunt way he demanded "cash". Less was heard than usual about constitutional rights, more about Quebec's need for money.

He showed little interest in all the studies which were supposed to be the subject of the conference; and he gave no support to the other provinces which were pressing for a full-scale negotiating conference this fall. He wanted "not conferences, but cash".

The provincial demand for a fall conference, which was supported by all the other nine provinces, comes to much the same thing.

A "negotiating conference" this year would carry a $300-million price tag for 1960 and 1961, the last two years covered by the present five-year agreement. (It was negotiated with the Liberal government and came into effect in 1957.)

For a while the main point at issue in this week's meeting was what should be said in the communique about holding a 1959 conference. Mr. Fleming dodged it. He talked about having no authority because it wasn't a subject on the agenda of the meeting; he said the "studies" of various questions, which made up the agenda, were a necessary preparation; and he put some stress on the necessity of seeing how far the business recovery goes and what extra revenue it brings.

Meantime, however, he has accepted a conference to discuss the possibility of having a conference. The provincial treasurers will meet again with the federal finance ministers on Oct. 15 and 16, and the first item on their agenda will be "the possible need for a negotiating conference on matters concerned with the last two years of the federal-provincial tax-sharing arrangement act".

That is when Mr. Fleming will have to give a $300-million yes or a highly unpopular no.

He will also be faced with a discussion about the position of junior governments in the present capital markets. This was raised by many of the provinces.

ANNOUNCEMENT

FIRESTONE APPOINTMENT

A. C. JEMISON

Mr. R. I. Baycroft, Vice President—Sales, Firestone Tire & Rubber Company of Canada Ltd., is pleased to announce the appointment of A. C. Jemison as sales representative, industrial products, manufacturers' sales division.

A native of Windsor, Ontario, Mr. Jemison majored in industrial engineering at the Detroit Institute of Technology and brings 12 years of experience in the automotive and rubber industry to his new post.

27 HOTTEST INVESTMENT DEALS IN REAL ESTATE TODAY

Instead of wasting time waiting for the occasional "big" deal backed by a big bankroll, here's how to make substantial real estate profits on small cash outlays or by using other people's money entirely. How you can do it is vividly explained by real estate authority William J. Casey in his new book, "Real Estate Investments and How to Make Them."

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U.K.-Canada Auto Parts Group Merge

Booker Brothers, McConnell & Co., London, Eng., merchants and traders, and **Taylor, Pearson & Carson (Canada) Ltd.**, Edmonton, intend to join forces.

Booker's, through its Canadian subsidiary, **Prairie Pacific Distributors Ltd.**, will offer, on or about July 15, $21 par share for all issued common shares of Taylor, Pearson. (Recent price —$20¾.)

No change in management of Taylor, Pearson is contemplated, Booker chairman Sir Jock Campbell says.

Booker Brothers' Canadian interests include three wholesale businesses dealing in automotive accessories and domestic appliances. Taylor, Pearson has subsidiaries in the same field.

Taylor, Pearson's radio and television broadcasting interests in Alberta will be separated. They are to be transferred to a new company, **Selkirk Holdings Ltd.**, in which Taylor, Pearson shareholders will be offered interests proportionate to their present shareholdings.

The Booker group, through Taylor, Pearson will take 25% interest in Selkirk at a cost of $500,000.

Booker will be paying some £2.25 million for net assets of Taylor, Pearson—their approximate book value. There are 346,460 Taylor, Pearson common shares outstanding.

After the transaction is completed, Booker directors intend to arrange "that a stake in the fortunes of the company shall, in one way or another and in due course, again be made available to Canadian employees of Taylor, Pearson — as has been arranged for employees of **Motor Car Supply, Bowman Bros.** and **Gillis & Warren.**"

Whole Floor In Canada House Leased by Perini

Perini Corp., Framingham, Mass., has leased an entire floor in Canada House in New York City. Long-term lease was negotiated by **Cushman & Wakefield Inc.**, renting and management agent for the building which is owned by **Canada House (New York) Ltd.**, and **Webb & Knapp Inc.**

Several Perini subsidiaries will have executive offices in Canada House including **Perini (Quebec) Inc.**

One of the largest firms in heavy construction and building construction in the world, Perini does a large volume of business in Canada and has offices in Toronto, Montreal, Edmonton and Vancouver.

Company Report

Mining

SILVER STANDARD MINES had a net loss of $70,916 in year ended March 31, 1959 ($40,967 in previous fiscal year). As operations at the mine were permanently halted on May 1, 1958, results of the two years are not comparable.

Following exhaustion of all known ore at the Hazelton mine in British Columbia, company started intensive program of outside exploration.

Total of $76,413 was spent on exploration in the latest year. Work included examination of Empire Valley Gold Mines, adjoining the Hazelton mine. Some short ore shoots were established but further work has been deferred. Participation was continued in the BIK Syndicate, where work was focused on copper-nickel showing. Search for iron ore deposits in the Queen Charlotte Islands will be continued.

Equipment from the Hazelton operation has been placed in storage. At cost the equipment and supplies were valued last August at $456,449.

INCOME ACCOUNT

Years Ended Mar. 31:	1959	1958
Metal prod.	$120,637	$1,151,350
Less: Oper. expn.	304,038	1,025,400
Oper. profit	a75,401	125,950
Add: Misc. income	23,890	22,442
Profit on secs. & f.a.	10,048	1,218
Net earnings	a41,463	149,610
Less: Deprec.	6,501	31,621
Inc. taxes	.....	4,314
Deplet.	639	10,684
Dev. w/o	.....	52,264
Outside expl. w/o	21,833	92,194
Net loss & deficit	70,916	40,967
aLoss.		
Earned per Share	a$0.025	a$0.013
None paid.		
Shares o/s at Mar. 31:		
Common, 50c par	2,794,130	2,794,130

CONDENSED BALANCE SHEET

As at Mar. 31:	1959	1958
Cash & deposits	$78,681	$242,057
Accts., etc., rec.	2,113	23,383
Inc. tax recov.	4,156	.....
Metals in transit†	.....	54,620
Bonds‡	253,371	268,079
Mkt. secs.*	102,068	88,185
Zinc conc. stock-piled	.....	24,155
Stores & supplies	.....	23,610
Prepaid exps.	411	.....
Total curr. assets	$440,797	713,996
Misc. assets	4,205	4,205
Supplies	17,441	.....
Outside expl., less w/o	115,977	61,396
Invests., at cost	183,748	193,329
Mining props.&	.....	338,569
Plant & equip.§	4,457	11,638
Total assets	$807,625	1,510,333
Total curr. liabs.	8,614	23,181
Capital stock	1,106,027	1,106,027
Capital deficit	426,539	.....
Earned surplus	314,404	381,143
†After freight, etc., chgs.	.....	37,181
*Market value	123,238	92,662
‡Market value	353,943	350,535
&After res. of	.....	83,850
§After deprec. of	289,200	310,363
Working capital	432,183	689,913

Combines Bill on Monopolies Is Withdrawn by Government

OTTAWA (Staff) — Objections by business representatives have persuaded the government to hold up its proposed new combines bill as it affects combines, mergers and monopolies.

Justice Minister Fulton has withdrawn the bill for the present session.

In its place he will introduce another bill dealing only with resale price maintenance and misleading advertising.

These he called "provisions for the protection of small business and consumers against unfair practices including misleading advertising."

The fisheries situation in British Columbia is also to be dealt with in a special temporary clause in new amending bill. Mr. Fulton explained that the director under the Combines Act, T. D. Macdonald, has submitted a case of the Restrictive Trade Practices Commission claiming that the B. C. practice of negotiating an annual contract between the fish companies and the fishermen's union is illegal under the act.

Copies of Mr. Macdonald's case have gone to the people concerned. The companies have refused to negotiate prices with the union in a way which may be illegal. And the fishermen's union is threatening a strike.

The union, said Mr. Fulton, is claiming that it is exempt from the Combines Act; and it will take some time for the Restrictive Trade Practices Commission to give its report on the question.

Therefore, and in order to avoid the possible loss of this year's salmon run, Mr. Fulton will ask Parliament to put a clause in the act to say it shall not apply to the usual contract arrangements of the B. C. fishery "between Jan. 1, 1959 and Dec. 31, 1960". By that time, he said, "we may be able to assess what, if any, further action should be taken."

Four N.B. Firms Share Road Work

From Our Own Correspondent

FREDERICTON — Four New Brunswick firms are sharing $825,000 in new highway construction contracts.

Contracts cover grading and paving roughly 18 mi. of Trans-Canada Highway and provincial highways.

They are:

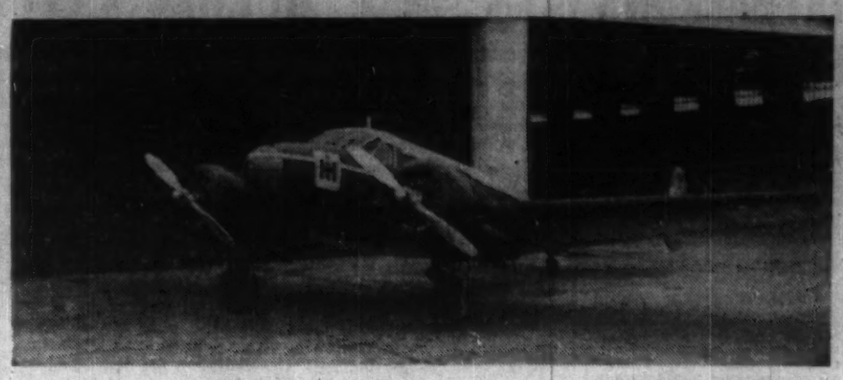
Phillips Contracting Ltd., Sussex — $322,592, grading 2.6 mi. TCH on the Moncton by-pass.

Rayner Construction Ltd., Moncton — $257,865, paving 8.6 mi. TCH from Reserved Road to Magnetic Hill Road on the Moncton by-pass.

Diamond Construction (1955) Ltd., Fredericton — $222,645, paving 6.5 mi. TCH from Kelly Turn to Route No. 9 on the Fredericton by-pass.

Clumac Construction Co., Bristol — $17,552, grading, 1¼ mi. Tinker Road, Victoria County.

EXECUTIVE AIRCRAFT FOR SALE



1952 Custom Twin Beech D-18-S

This custom six place (two pilot and four passenger) aircraft owned by International Harvester Company of Canada, Limited is in first class condition throughout. Powered by Canadian Pratt and Whitney overhauled engines, it has a cruising speed of 180 m.p.h. and 1,100 mile range. Total airframe time is only 2,800 hours and a 1,000 hour inspection was just completed last May.

This aircraft is equipped to airline standards with dual instrumentation together with Collins, ARC and Wilcox radios.

Cabin interior and upholstery are all genuine leather.

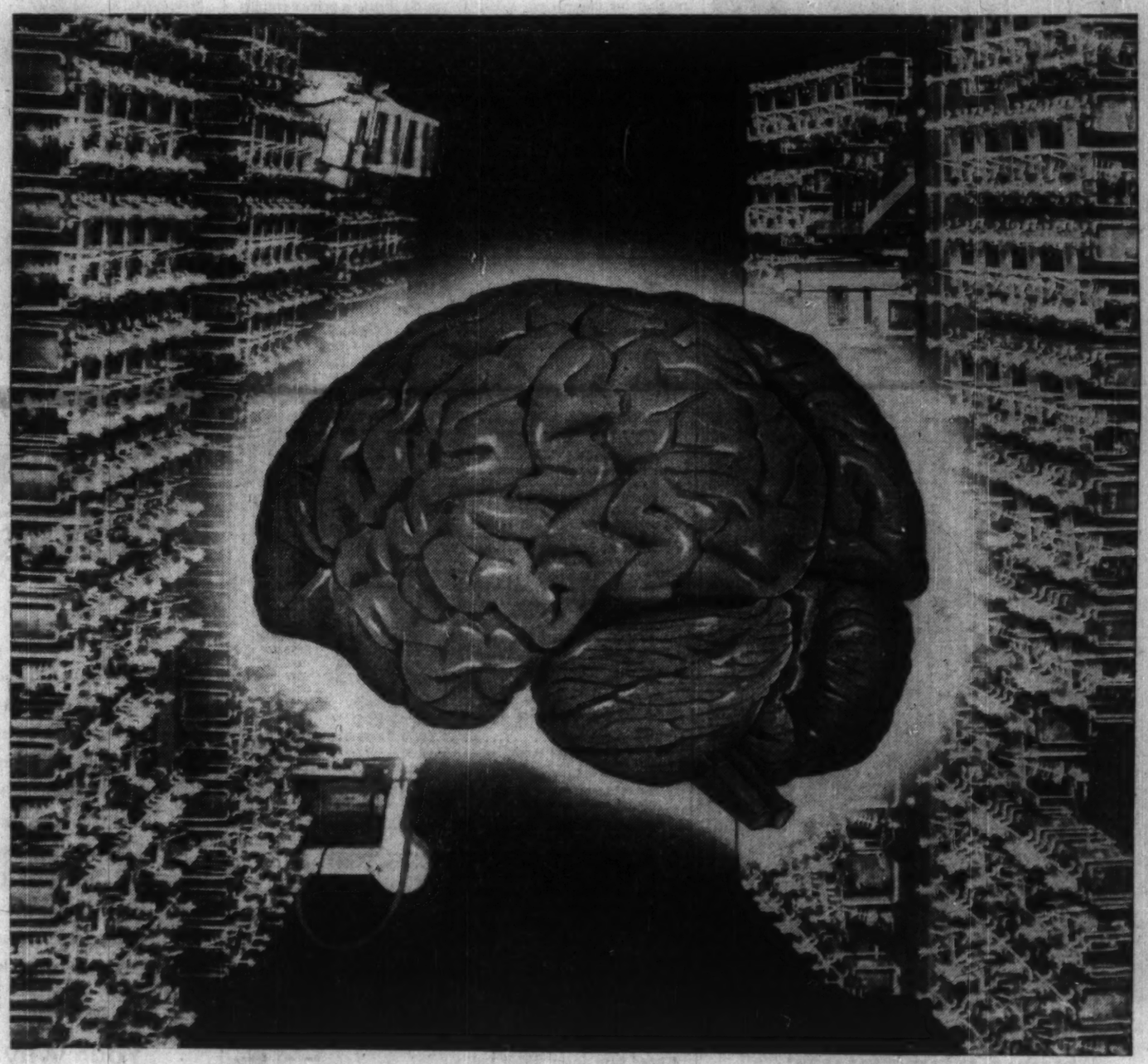
Excellently maintained in the company's own hangar, this aircraft is undoubtedly in the best condition of any airplane of its class in Canada.

Priced at $45,000.00 for quick sale as company has purchased a larger aircraft.

Located at Mount Hope airport, Hamilton, Ontario, it is available for demonstration anywhere in Canada. Telephone, wire or write W. E. Jolley, International Harvester Company of Canada, Limited, Hamilton, Ontario or the pilot, Captain P. Smith.

REAL ESTATE MEETING

Annual meeting of the Saskatchewan Real Estate Association will be held in the Bessborough Hotel, Saskatoon, Sept. 19. Featured speaker: Herbert R. Fullerton of Vancouver, second vice-president, Canadian Association of Real Estate Boards, chairman, Real Estate Council of B. C., past president, B. C. Association of Real Estate Boards and Vancouver Real Estate Board. About 600 delegates are expected to attend the CAREB meeting which is being held jointly with the meeting of the Saskatchewan association.



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Beaver Club

The new purchase of this investment club

QUEBEC NATURAL GAS

Here is the monthly report by the fund manager to the members of the Beaver Club on the fund's operation:

ON July 3 we purchased 10 shares of **Quebec Natural Gas Corp.** at a price of $17.25 per share. Our original purchase was 10 shares at $20 on Oct. 2, 1957. Thus we now hold 20 shares at an average cost of $18.63.

Quebec Natural Gas is the company incorporated in 1955 to take over the gas distribution system in the Montreal area. By May, 1958, it had completed its initial program of converting existing gas equipment from manufactured to natural gas and tying in its system with **Trans-Canada Pipe Lines.**

The current market for these shares **seems to provide a favorable opportunity for adding to our holdings.** Until recently the stock has consistently sold about $20, having reached a high of $35 in 1957.

The recent decline in price can perhaps be attributed to figures published for the nine months ended March 31. This statement showed an increase in operating revenues of 8% over the same period in 1958. Sales of gas rose to 3.9 billion cubic feet, an increase of 28%. As these figures are below earlier projections, they may have been a disappointment to shareholders.

However, it must be kept in mind that the company did not receive approval from the provincial authorities of its gas rates until last October. This held back an aggressive solicitation for new business. A further rate schedule adjustment, designed to gain more commercial heating, has been authorized.

Perhaps a more realistic indication of the growth pattern which lies ahead is given by the last three months of the nine months ended March 31. During this quarter, sales were up 45% over same 1958 period.

Since March, sales promotion efforts appear to have met with considerable success. One new interruptible contract has been signed which calls for a daily volume of 15 million cubic feet by September. This figure can be put in perspective by noting that to date the company's record daily gas "send-out" was 27,742,000 cu. ft. established on January 5.

As Canada's largest and most industrialized city, Montreal provides a huge market for natural gas sales. In addition to tapping this potential, the company is proceeding with plans to extend its gas facilities to the limits of its franchise which extends 15 miles beyond the island. Industrial activity is booming along the south shore and Quebec Natural Gas is spending $10 million to move into this area.

There is, of course, a substantial market beyond the fringe of the company's franchise. However, here Quebec Market is in competition with two other companies for the franchises.

In our initial report on this company we emphasized that "for the patient investor Quebec Natural Gas shares have definite long-term appeal." **We are still attracted by the appeal, but the investor's patience may even be tested for a year or two longer than was expected.**

Net earnings have been estimated at $2 million for 1961. On the basis of the present capitalization, this would be about $1.50 per share. However, it seems likely that expansion will require the capital base to be enlarged.

Another $15 million, at least, will be required for extending facilities to the south shore and the development of other distribution lines. Undoubtedly the required public financing will entail the issuing of additional shares beyond the present 1,364,000 (3,544,986 are authorized). This may be done through an issue of rights or by stock purchase warrants attached to senior securities.

Thus net earnings of $2 million in 1961 may represent per share earnings of about $1.30. However, the continued growth which could be expected still to lie ahead, would justify a price earnings ratio then of say 20, which would put a price on the shares considerably above today's level.

The Beaver Club is a typical operating investment club. It has 20 members. Its stock purchases and sales are decided by a professional investor.

Stocks bought for the Beaver Club are not necessarily suitable for all investment clubs. Beaver Club members are nearly all young and their incomes are quite substantial. They can afford to take risks of loss which are inappropriate for some clubs.

The Beaver Club policy is quite definitely an aggressive search for attractive longer-term growth investments. —The Editor

Beaver Club Monthly Statement

AS AT JUNE 30, 1959

To June 30, each original Beaver Club member had contributed $450. This investment in the fund was worth $584 at June 30.

	No. of Shares	Av. Cost Per Share $	Market Per Share $	Total Current Value $
Abitibi Power & Paper	15	31.75	38¾	581.25
Algom Uranium	40	19.34	15¾	630.00
British American Oil	10	38.00	37	370.00
British Columbia Power	25	37.30	37½	937.50
Canadian Bank of Commerce	20	45.23	61½	1,230.00
Canadian Breweries	5	33.13	40¼	201.25
Canadian Hydrocarbons	25	10.08	11½	287.50
Dominion Tar & Chemical	25	8.87	17⅝	440.63
Interprovincial Pipe Line	30	40.08	51	1,530.00
Loblaw Companies B	25	25.10	31¾	793.75
MacMillan & Bloedel B	10	27.00	41¼	412.50
Massey-Ferguson 5½% convertible preferred	5	104.50	109	545.00
Moore Corp.	15	16.33	38¼	573.75
Pacific Petroleums	10	18.25	14¼	142.50
Quebec Natural Gas	10	20.00	17	170.00
Salada-Shirriff-Horsey	45	3.50	13⅝	613.12
Steel Co. of Canada	5	56.05	80½	402.50
G. Tamblyn	20	26.25	27½	550.00
Trans-Canada Pipe Lines	10	11.20	25⅝	256.25
John Wood Industries A	25	28.70	27½	687.50
				11,355.00
Deduct debit with broker				362.91
Net asset value				10,992.09
Total contributions to date				8,532.67
Net asset value per dollar invested				1.29
No. of Beaver shares outstanding May 31			615.6294	
No. of shares purchased June 1 (20 x .5649)			11.2980	
No. of shares outstanding June 30			626.9274	
Net asset value per Beaver share			$17.5333	
July 1 payment will purchase			.5703 shares	

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THE INVESTMENT FUNDS

Timed Investment Fund Reduces Common Holdings

Timed Investment Fund Ltd., Toronto, net assets of $1,875,243 at June 10, 1959, were 7.6% higher than total of $1,742,750 six months earlier.

Bonds and notes accounted for 13.6% (15.2% at Dec. 10, 1958); preferred stocks, 34.5% (6.6%); and common stocks 50.3% (77.9%).

During the six months ended June 10, fund liquidated two bonds and added various notes totaling $150,000 to its portfolio.

One preferred stock was liquidated, and holdings in one were reduced.

Fourteen preferred issues were added to fund's portfolio, and six common stocks liquidated.

Holdings in 20 common stocks were decreased.

Six common stocks were added and three others were increased.

Here are the portfolio changes in detail:

	Amount held at June 10/59 $	Change since Dec. 10/58 $
Bonds & Notes:		
Confederation Life Assoc.	...	—80,000
Manufacturers Life Ins.	...	—73,200
G.M.A.C. notes 4⅝-5¼%	100,000	+100,000
U.A.C. notes, 4¾%	50,000	+50,000
Preferred:		—Shares—
Sal.-S.-H. 5¾%, B $25 c.	...	—1,500
Somerville Ltd. $2.80	300	—200
Aluminium Co. of C. 4½%	1,000	+1,000
Bell Tel. of Canada	2,000	+2,000
B.C. Electric 4½% ($50)	1,000	+1,000
Do. 4¾% ($100)	200	+200
Do. 5½% ($50)	300	+300
Consum. G. 5½% ($100)	500	+500
Gatineau Pow. 5% ($100)	250	+250
Loblaw Cos. $2.40 ($50)	600	+600
Molson's Br. 5½% ($40)	1,000	+1,000
Shaw. W. & P. 4% ($50)	350	+350
H. Smith P. M. 4% ($50)	500	+500
U. Gas of Can. 5½% ($50)	400	+400
Confed. Life Assoc.	400	+400
Manufacturers Life Ins.	440	+440
Common:		
Aluminium Ltd.	...	—500
Abitibi P. & P.	880	—200
Asbestos Corp.	500	—500
Bank of Nova Scotia	300	+100
Beaver Lumber	400	+400
British Columbia Power	300	—300
Bell Tel. of Canada	...	—2,000
Canada Cement	...	—1,000
Canada Iron F'ndr's	1,000	—500
Canada Wire & Cable B	2,000	—100
Cdn. Bank of Commerce	300	+100
Cdn. Breweries	1,000	—500
Cdn. Pacific R'lway	1,000	—500
Consolidated M. & S.	...	—1,000
Consolidated Paper	800	—200
Dominion Bridge	700	—300
Dom. F'ndr's & Steel	500	—500
Dom. Glass	400	—100
Dom. Tar & Chemical	1,000	+1,000
Hudson Bay M. & S.	600	—400
Imp. Tobacco of Can.	3,000	—2,000
Internat. Nickel	300	—200
Interprov. Pipe Line	250	+250
Molson's Brew. A	1,000	+1,000
Do. B	1,000	+1,000
Moore Corp.	300	+200
Noranda Mines	300	—200
Page-Hersey Tubes	800	—700
Powell River Co.	300	—200
Price Bros.	500	—100
St. Lawrence Corp.	1,500	—500
Sicks' Breweries	...	—3,000
Salada-Shirriff-Horsey	3,000	+3,000
Simpsons Ltd.	...	—500
Steel Co. of Can.	300	—300

NEW CASE LINE

A new line of small 2-3-plow and 3-4-plow diesel tractors, to be introduced to Canada in December by **J. I. Case Co.,** Racine, Wisconsin, will be the smallest diesels ever built by Case.

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Here's a Man to Watch In IGA's Retail Attack

Ray Wolfe has built a food empire, now he plans to open a new IGA store every four weeks . . .

Merchandising skirmishes are fought every day for the retail food dollar.

But behind the fanfare of local battles is an all-out struggle to prove that co-operative alliances of independent grocers can play in the big leagues.

Retail observers are watching carefully the apparently loose but actually hard-hitting team of nine wholesalers who are the driving force of the **Independent Grocers Alliance** in Canada.

A member to watch in this decentralized group, observers feel, is an aggressive former produce wholesaler who wasn't connected with the retailing field until 1950.

WOLFE

But Ray D. Wolfe — president of **Oshawa Wholesale Ltd.**— has quietly built an integrated supply-retail-merchandising empire in south central Ontario — Canada's richest food market.

He plans now:

- To open one new IGA Foodliner store every four weeks for at least the next 14 months. They are expected to average $1 million in volume each year.
- Wolfe's Oshawa Wholesale will shortly carry out its first equity financing, rumored to be taking form in a Class A stock issue.

Here's what he has done:

- **Brought IGA to Canada** in 1950, talked a group of independent outlets into the alliance idea, opened with 49 IGA stores the following year.
- **Piloted expansion** to the present 117 stores, averaging $10,000 volume weekly as against $2,000 for the originals eight years ago.
- **Added a further 57 retail customers** who are supplied en route to IGA locations.
- **Lifted his wholesale volume** to over $40 million a year.
- **Sparked retail sales** of IGA stores from an initial $5 million to around $60 million a year in his franchise territory.

This is substantially the biggest IGA territory in Canada, representing about 25% of nation-wide IGA sales volume of around $240 million in 1958.

Observers estimate national sales may reach $270 million in the current year.

Other wholesalers responsible for IGA franchise areas are:

H. Y. Louie Co., Vancouver, **Horne & Pitfield**, Alberta, **Codville Co.**, Saskatchewan and Manitoba, **T. B. Escott Co.**, London, Ont., **M. Loeb Ltd.**, Ottawa, **Shop & Save**, Montreal, **G. T. Armstrong Co.**, Sherbrooke, Que., and **Bolands Ltd.**, Halifax.

At his Toronto depot, Wolfe unveiled his drawing-board plans for **FP**.

The program to open a new foodliner store every four weeks should hoist total retail sales of IGA in his area to around $75 million rate by late next year, up from $60 million yearly now.

Actual gain will likely be larger because of expansion of existing outlets, planned or under way.

The new outlets will average around 10,000 sq. ft. in size.

This size is somewhat smaller than average for new corporate chain stores. **Dominion Stores**, while it has many much smaller, figures new supermarkets to run close to an average 20,000 sq. ft.

The IGA policy is to line up independent dealers for new stores as quickly as possible, although outlets are often operated by IGA organization until suitable dealers are found.

"The current year will be our best to date," Wolfe says.

IGA annual sales volume growth, at around 15% last year, is slightly better than the other major chains. The national total (estimated at $270 million for this year) compares with Dominion's top spot volume of $356 million.

Besides his rich territory (over half the Ontario population within its boundaries), Wolfe differs from all but one of the IGA suppliers in that he offers a completely integrated operation to serve the stores. It resembles M. Loeb Ltd., IGA Ottawa area depot, in this respect.

Other depots draw on IGA headquarters for aid in merchandising programs, real estate and other matters.

These are all handled by departments within Oshawa Wholesale itself.

The depot, with 140,000 sq. ft. of warehouse space in a western Toronto suburb, is a Wolfe family concern. Three brothers of Ray Wolfe are in the firm.

Oshawa Wholesale was taken over by the family in 1949 after operating **Ontario Produce Co.** since 1911. The latter is still operating as a wholesale produce house and importer of fresh fruit and vegetables.

The Oshawa firm offered the family a chance to broaden its base in the food business. It also proved to be an ideal vehicle with which to introduce IGA plan to Canada.

"Chains were becoming aggressive and expansive at that time," recalls Ray Wolfe.

"We talked a number of grocers into fighting back in the only practical way: by co-operating to take advantage of corporate chain methods.

"By surrendering a small part of his independence, the IGA grocer wins a whole set of new freedoms. He is free to compete on equal terms with the big chain store next door.

"The supply depot provides low-cost merchandise, operational know-how, merchandising direction, real estate and architectural aid, a hundred things an independent normally couldn't afford."

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ANNOUNCEMENT

NATURAL PRODUCTS APPOINTMENT

J. H. TROTTER

G. E. Fleming, President, Natural Products Corporation, has announced the appointment of J. Harry Trotter as Executive Vice-President.

Mr. Trotter has been General Manager of the Ontario Division of Natural Products Corporation and will continue in this capacity along with his new responsibilities. Mr. Trotter has been with the Company for fourteen years.

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Winnipeg to Build Big Medical Centre

From Our Own Correspondent

WINNIPEG — A $15 million Manitoba medical centre is planned in Winnipeg.

City council has been asked to amend zoning laws to allow orderly development of an area close to the Winnipeg General Hospital.

A council representing the faculty of medicine, University of Manitoba, Manitoba Cancer Foundation, Sanatorium Board of Manitoba, Children's Hospital, and the Winnipeg General Hospital, and headed by Dr. P. H. T. Thorlakson, is planning the development.

The project will take years to complete and eventually will include hospital accommodation, teaching and research facilities and a variety of other medical services.

Carstairs Gas Gets Scrubbing

Prospect of substantial boost in gas revenue moved a step closer for **Home Oil** this week.

Arrangements were completed for construction of gas cleaning plant in Carstairs field. Construction will get under way in mid-August.

On behalf of all Carstairs producers, Home will build and operate a $3.75 million gas scrubbing plant to be completed by March, 1960. Capacity will be 75 million cu. ft. daily.

Sales contracts with **Trans-Canada Pipe Lines** have been arranged. Deliveries will be through **Alberta Gas Trunk Line**, now extending its gathering system to the field.

Chief partners with Home group's 50% interest in the plant include **Canadian Superior Oil** (22%), **Tennessee Gas Transmission** (16%) and **Texaco Canada** (8%).

Shipping Tonnage Jumps By Record 7% Since '57

World shipping tonnage increased more than 7% between mid-1957 and mid-1958 — a record one-year jump.

The world fleet increased by 7.7 million g. r. tons to 114.6 million g. r. t. by June 30, 1958, according to a report published by the Organization for European Economic Co-operation.

This total includes the U. S. reserve fleet of 14 million g. r. t., but excludes U. S. and Canadian Great Lakes fleets and vessels of 100 g. r. t. and under.

Largest tonnage of commercial vessels is maintained by the U. S. with 23 million g. r. t. The U. K. is next with 20 million, followed by Liberia with 10 million, Norway with nine million, Japan with five million, and France, Germany, Italy, Netherlands and Panama with approximately four million apiece.

Canada has 544,000 g. r. tons.

Other shipping trends reported include:

- **The collapse of the freight market in 1958** resulted in the lay-up of a large amount of tonnage for lack of employment. Laid-up tonnage was estimated at more than seven million tons at the end of 1958, compared to 1.9 million at the end of 1957.
- **The shipbuilding industry is moving towards a more difficult period,** particularly in the case of those yards not specializing in tanker tonnage and in those which are only equipped to build the smaller type of vessels.

Present order books will provide work for most of the major shipbuilding yards of the world for a considerable time, but the world recession in trade, has meant a decline in fresh orders and cancellation of a number of orders.

- **A steadily growing move towards the construction of specialized types** of tramps for particular cargoes, the most significant being the iron ore carrier.
- **An increase in recent years in the chartering of tramps on a long-term basis,** say for a year or a number of years, instead of voyage by voyage.
- **Only a substantial rise in the volume of world trade could bring the freight market into balance.** There appears to be no prospect of such a rise, or justification for expecting it.
- **Rate of new construction is aggravating the situation.**

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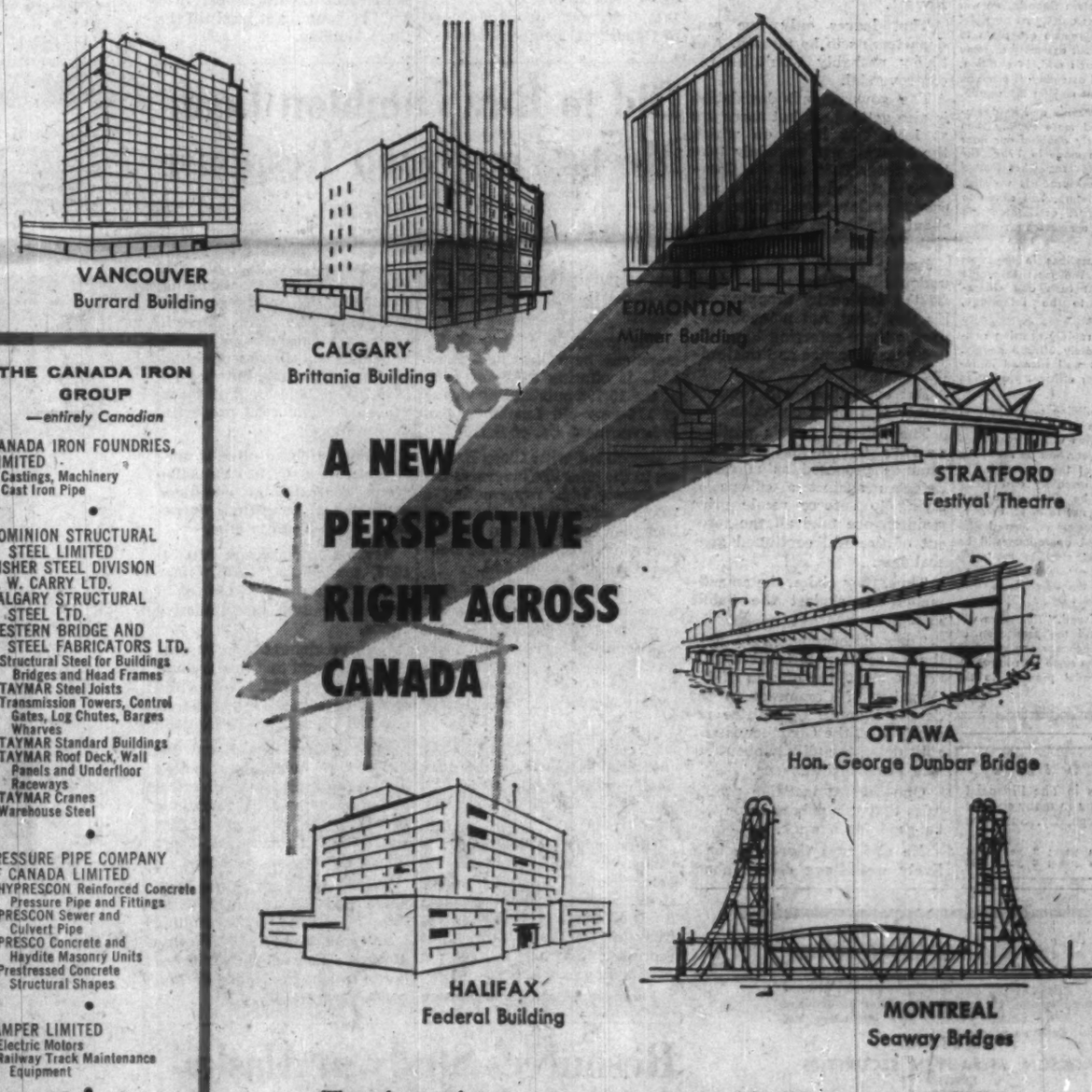

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These structures remind us, too, of Canada's progress in industry, public utility and power developments . . . from bridges and powerhouses to hospitals, office buildings and other specialized structures. As an entirely Canadian company, we are happy to share in many of these achievements of local, national and international importance.

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CAN2

Parliament's Business

By FP's OTTAWA STAFF

Into the Home Stretch

OTTAWA (Staff) — Howard Green, the Vancouver lawyer who acts as Mr. Diefenbaker's backstop and deputy, announced last Saturday that he hoped the present session of Parliament could end on Saturday, July 18.

Lionel Chevrier, for the Liberals, replied gloomily: "I hope the Minister's prediction comes true."

Mr. Chevrier carries a somewhat lugubrious air, though he's a normally cheerful person. So did Mr. Green when he was in opposition.

Now his characteristic air is optimistic, gay and relaxed, though his manifold duties make him something of a Pooh-Bah in the government. (But, in contrast to Gilbert and Sullivan, he is a long, thin one.)

He is Deputy Prime Minister, Leader of the House of Commons, Secretary of State for External Affairs and Minister of Public Works.

Last Saturday's statement proves his optimism.

The House of Commons has to approve 21 departmental estimates each year.

One called "legislation" covers its own expenditures and doesn't take long.

Another called "Privy Council" covers the PM's office and the small, high-ranking bureau under R. B. Bryce, Clerk to the Privy Council, which serves as the Cabinet's central secretariat. This does not take long either.

So 19 are left. Seven were completed by the end of last week, including national defence which took up three unusually "meaty" days of discussion.

Seven more have been before standing committees, which have examined their spending and activities in much more detail than the full House can. But it doesn't follow that Opposition members may not have plenty to say in "Committee of Supply" (which is the full House).

That leaves only five real departments to be tackled. And they probably won't be too controversial.

The government's legislation is also getting on, but there are at least two items on which the Liberals will certainly take their time. They are **the Combines Act, and the Act to approve the Government's decision about further grants to Newfoundland.**

Justice Minister Fulton has undoubtedly taken several days off the session by dropping all his Combines Act amendments except those referring to resale price maintenance and misleading advertising.

But even these will provoke plenty of Liberal objections.

The Liberal party's position seems to be that the new grounds proposed as adequate defences against a charge of trying to enforce resale price maintenance take all the force out of the still continued general ban.

Thus, they claim, the amendments are against the public interest.

Their determination to fight these has been fortified by the admission of the officers of the Chamber of Commerce in the Senate Finance Committee recently that the Chamber is still split down the middle about resale price maintenance.

One Liberal tactician prophesies that this debate alone will be good for a week.

He also says there can be a lively week-long debate about Newfoundland and its famous Term 29.

This was one of the Terms of Union which provided for a Royal Commission to recommend what further Federal grants should be made to Newfoundland to keep up its level of services without disproportionately high provincial taxes.

The Royal Commission proposed a declining scale up to 1962, and then a continuing annual grant of $8 million.

Mr. Diefenbaker accepted its ideas up to 1962; but after that, he said, the grants would stop.

Few experts deny that he is legally and technically justified. He also has some practical reasons of horse-sense, arguing that after 1962 Newfoundland should "muck in" with the other provinces in the periodic hassles about revenue instead of remaining an isolated "special case".

But Newfoundland is up in arms, and once again Premier Smallwood has a highly popular case against the Diefenbaker Government.

He also has a very talented, angry and convinced counsel in the House of Commons. J. W. Pickersgill is highly paternal about his adopted province, and thoroughly believes that it is a moral and political outrage "to treat the poor maiden so".

So whether the debate lasts a week or not, it will certainly be lively.

The parliamentary week is now very long. The House sits daily from 11 a.m. until 10 p.m., with the two normal breaks. It takes a lot of oratory to fill all that time, and there's shortage of Opposition members who can talk enough sense in impromptu debate to fill it. If you can't count them on your fingers, you certainly could by using your toes too.

So Mr. Green's optimism may be justified. But prudent men have taken cover by backing July 25 as well. And if the Government tries to pass the Bill of Rights (which isn't likely) or throws anything new and contentious into the hopper, then we'll be running at least till the Civic Holiday.

ANNOUNCEMENT

AUTOMATIC ELECTRIC TO BUILD IN THE WEST

C. R. HUGHES

Automatic Electric (Canada) Limited will shortly build a new plant in Western Canada to provide additional manufacturing, assembly and warehouse facilities, according to a statement released recently by Mr. C. R. Hughes, President.

"For a number of years," Mr. Hughes said, "we have studied the merits of such an undertaking. A large number of our customers for communication equipment are in the western provinces. We wish to give these customers the best service possible. To accomplish this objective and to give positive indication of our faith in the future of Western Canada, we will carry out this plan as quickly as possible. Included in this programme are plans to provide space to permit assembly of some of our present products and, in addition, the manufacture and assembly of products we are not at present making in Canada.

"Our plant in Brockville and its operations have expanded more rapidly than anticipated. We nearly doubled our floor area in the addition made in 1957. The rate of expansion has somewhat limited the production of new products we wish to consider for the future. This condition has, in some respects, accelerated the decision to establish a new branch manufacturing plant.

"A number of locations in the west have been studied. The most favorable choice under present facts and circumstances shows it to be Lethbridge, Alberta.

"Lethbridge is a rapidly growing community of approximately 30,000 people. Geographically it is well situated in regard to our needs for efficient production and distribution.

"Plans for the building and layout of manufacturing space are now underway. It is hoped construction will be completed by the end of this year and be ready for gradual occupancy at the year-end. The transfer of certain inventory and set-up of operations will be done on a progressive basis so as not to affect delivery of products to our customers. Some initial training on proposed operations will be necessary which will start in the early fall. This will form a nucleus of trained people to go into the new plant when ready."

Mr. Hughes continued, "This move will permit us to expand the production of our main line of switchgear equipment at Brockville, and at the same time introduce more 'Canadian made' products to the Canadian market."

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In Canada: $8 a year; 2 years $14
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Start Building Canada-Backed Florida Hotel

Construction has begun on a 62-room Florida oceanside hotel, for Canadian-controlled **Florida-Southern Land Corp.**

President is Toronto mining executive Bryan W. Newkirk.

To help finance the venture, a new issue of 1.1 million Florida - Southern common shares were sold at $2 (U. S.) last month by New York investment dealers **Alkow & Co.**

Authorized capitalization is five million shares, of which some 3.6 million are now outstanding.

The 62-room Indies Hotel at Duck Key, Fla., is scheduled for opening next February.

Land for the project, consisting of five islands, was acquired by Newkirk in 1951.

The 350-acre Duck Key project is 95 mi. south of Miami.

Backers of the project expect to spend up to $30 million during the next five years in completing the hotel, an 18-hole golf course, a marina, and commercial and residential adjuncts.

In the mid-1920s, Newkirk was vice-president of the company which developed Coral Gables, one of Florida's first and most successful real estate projects.

Bid to Buy Lambton Loan Meets 'Very Good' Response

A "very satisfactory" response has been made initially to a $2,369,250 offer by a group of U. K. and Canadian interests to purchase control of one of Canada's oldest loan companies.

The group, including U. K. merchant bankers **Close Bros. Ltd.,** is offering $150 for each of the 15,795 outstanding shares of 115-year-old **Lambton Loan & Investment Co.** of Sarnia.

Associated with Close Brothers in the offer are **Inverness Investments Ltd.,** representing a small, unidentified group of Canadian investors, and the Toronto investment house of **Deacon-Findley Coyne Ltd.**

Directors of the Sarnia firm have accepted the $150 offer, and have recommended that shareholders accept. Bid price on the over-the-counter market rose from $81 at the end of March to $125 just before the purchase offer was made. Current bid is $130.

"Initial response to the offer has been very satisfactory," a spokesman for Close Bros. told **FP.**

Offer, open until July 31, is contingent upon acceptance by holders of 76% of Lambton's stock. Shares are held by hundreds of investors, it is believed. Directors' holdings are said to represent less than half of the outstanding stock.

Lambton Loan has grown slowly but steadily, and has never missed a dividend payment since its 1844 beginnings.

Assets at the end of 1958 totaled $9,420,834, including $6,839,020 in mortgages and agreements for sale. Investments are concentrated chiefly in the Sarnia district of southwestern Ontario, but some $900,000 is held in first mortgages on commercial properties in Toronto.

If the purchase offer is successful, the U. K. - Canadian group contemplates continued expansion of company's operations in the Toronto area.

Savings on deposit at Dec. 31, 1958, totaled $3,370,945. Other major liability was $4,111,160 in debentures and accumulative bonds.

Reserve amounted to $1 million, and profit and loss account stood at $64,705. Authorized capital consists of 20,000 shares, par $50. There is no funded debt.

The existing board and the prospective purchasers have agreed that the same directors and management will continue to serve the company if the transaction is completed. There is one vacancy on the board.

Earlier this year, Close Bros. made and subsequently withdrew an offer to buy controlling interest in 60-year-old **Toronto Mortgage Co.,** which was eventually bought by **Canada Permanent Mortgage Co.**

Resources Study in Alaska May Benefit our Northwest

An extensive U. S. study of the resources, economics and transportation in Alaska and northwestern Canada will be completed before the end of 1960.

The Alaska International Rail and Highway Commission this week awarded a contract for the study and report to the **Battelle Memorial Institute** of Columbus, Ohio.

The contract provides a maximum of $120,643 for professional services, travel and other expenses.

"The study," said Senator Warren G. Magnuson, acting chairman of the Commission, "will determine the location, extent and availability of known and undeveloped resources which need additional or improved transport facilities for their commercial development.

"For years many have been aware of the great resources of the North Country.

"Now it will be seen what benefits may be derived by getting these products to world markets."

The Commission has met several times with the Interdepartmental Committee on Pacific Coast Transportation formed by the Canadian Government.

Canada is developing plans for transportation routes, and some highway construction in British Columbia and the Yukon is already in progress, the Senator said.

It is expected, he said, that consultation between the Commission and Canadian authorities will insure that such new transportation facilities will be consistent with the objective of better communication between the U. S. Pacific Northwest and Alaska.

Building An Investment Income

New investors should find this booklet about building a second income through the purchase of dividend paying listed common stocks, both interesting and helpful. Copy on request.

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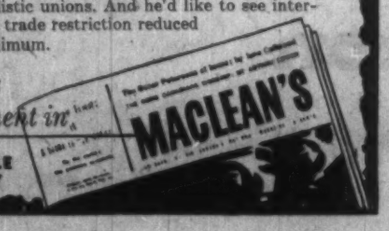
DR. LUDWIG ERHARD SAYS

What industry needs most is rough, tough competition

The Minister of Economics for West Germany believes in free enterprise—*really* free enterprise. Let's forget about protecting the weak, he says, and enjoy the full interplay of supply and demand. He's as much against cartels as he is against monopolistic unions. And he'd like to see international trade restriction reduced to a minimum.

Read his argument in



ON SALE TODAY

HOUDAILLE INDUSTRIES LTD. . . . .

Architect's sketch of Houdaille Plant addition.

Since 1930, when Houdaille Industries Limited moved to a new, modern plant in Oshawa, Ontario, it has taken a very active part as a main supplier of bumpers to the automobile manufacturers, and has expanded plant and facilities several times to meet increasing demands for automobile parts. The latest addition is now being completed and operations are being diversified to include new products and markets.

Prior to 1930, The Skinner Company Limited, as it was then known, carried on many years of successful manufacturing in Gananoque, Ontario, during which time it pioneered the manufacture of automobile bumpers for Canada.

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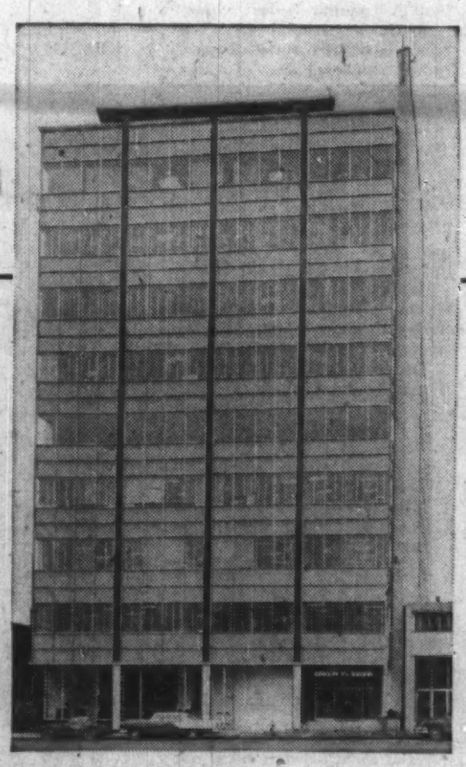

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Architect: Peter Caspari
Consulting Engineers: Flanagan & Black
Mechanical Contractor: Geo. C. Abbott Ltd.

DEVONIAN BUILDING, EDMONTON
Architects: Bell & McCulloch
Consulting Engineer: K. Siemens
Mechanical Contractor: Lockerbie & Hole

...and inside even the air is modern!

Everything about the exterior of this new office building speaks of modern design cleverly executed. And when you step inside you'll *feel* as well as *see* how completely up-to-date it is . . . for a Carrier Weathermaster System was chosen to air condition this multi-storied, multi-roomed building.

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Dosco Severs Ties With Disaster Town

Buildings in $100,000 sale may spur new firms to look at Springhill . . .

MONTREAL (Staff) — Last ties between **Dominion Steel & Coal Corp.** and the saddened coal-mining town of Springhill, N.S., will be severed soon.

The big Maritime-based company is negotiating sale of its Springhill buildings to **Industrial Estates Ltd.**

They will be turned over to **Springhill Development Corp.**, a subsidiary of the Nova Scotia crown company, now directing a campaign to attract industry to the once-booming town in the wooded Cobequid Hills.

No. 2 colliery there has been closed since Oct. 23 when 75 miners died in a "bump" behind walls of rock and fallen timbers.

Details of the sale have been agreed upon. Price is believed to be around $100,000, which will represent a substantial write-off for Dosco.

Buildings include two excellent concrete block structures less than 5-years old.

One, which housed a modern machine shop, is expected to be taken over by **Surrette Battery Co.** of Salem, Mass.

Among other buildings are a three-story office, two change houses, the draegermen's hut and timekeeper's office.

Dosco surrendered its mineral rights in Cumberland county to the provincial government last spring.

Coal miners, thrown out of work when the colliery was abandoned have been reluctant to accept job offers elsewhere in Canada.

So the problem has been to bring new industry and other sources of livelihood to the town.

Possession of the Dosco buildings will make it easier for Springhill Development Corp. which has been negotiating with at least 20 firms.

Surrette Battery Co., which manufactures heavy storage batteries for diesel engines and boats, expects to employ about 50 men.

Meanwhile **Springhill Wood Products Ltd.** will start producing structural components for residential housing in a small new plant this summer.

Olie Construction Co., big Maritime builders, established Springhill Wood Products to meet their own requirements.

They had planned originally to build in another Nova Scotia town but the crown corporation's offer of financial assistance prompted the switch in locale.

The plant will produce sawn timbers, cupboards, window sashes and other components, with raw lumber coming from the hilly woodlands around Springhill. About 25 men will be employed.

Two other developments:

- **Work is proceeding on small, shallow mines.**
- **The Federal Government is establishing a minimum security prison.** It will hold carefully selected prisoners from Dorchester penitentiary. Announcement is expected next week on site and date of construction start.

Two groups have applied for coal mining leases and the provincial government has assured them of support when they can show technical and financial ability to proceed.

The plan is to mine coal to meet requirements within trucking distance of the town. The new mining operation would employ about 100 men and some of the old Dosco buildings could be used.

Experts say there is little danger of bumps, caused by shifts in strata due to stress, in shallow operations. Dosco's ill-fated No. 2 colliery was the deepest in North America.

Latest estimates place the number of jobless in Springhill at 700. Some 40 families have left the area permanently.

Some migrated to the west, some to Toronto, others to Montreal. A few families moved to other Maritime communities.

Shortly after the decision was made to close No. 2 colliery permanently, **A. V. Roe Canada Ltd.**, which controls the Dosco group of companies, obtained 200 job offers for employees whose jobs had vanished.

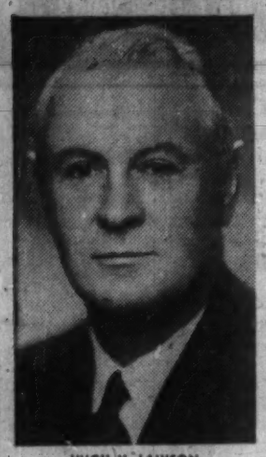
Only a few dozen were accepted. Most miners decided to abide their time.

However, obtaining new industrial commitments for the area is, as one Industrial Estates official expressed it, "a long, long job."

Screening is important. "We know that if an industry goes to Springhill and is not able to continue, things will become even worse than they are," he said.

ANNOUNCEMENT

THORNCLIFFE PARK LIMITED



HUGH H. LAWSON

D. Hubert Cox, President, Thorncliffe Park Limited, Toronto, announces the appointment of Hugh H. Lawson as a Director of the Company. Mr. Lawson, a Director of the Toronto-Dominion, Bank, Du Pont of Canada Ltd., Canadian National Exhibition, Canadian Surety Co., Great West Saddlery Co., is President of the Geo. H. Hees Co. and Chairman of the Board of Chapples Ltd., Fort William.

Dofasco Plans Up Galvanized Steel Output

A steadily increasing demand for galvanized steels in Canada has prompted **Dominion Foundries & Steel Co.** to install a second continuous galvanizing line at its Hamilton works, Ont.

There are reports that the other big Canadian producer, **Steel Co. of Canada**, is also considering installing another galvanized line at its big Hamilton plant complex.

There are major market outlets for galvanized steel which are all expanding rapidly:

- For big-inch pipe in road culverts.
- In industrial and farm buildings for roofs and siding.
- Eavestroughs, downspouts, furnaces, pipes for home use.
- Sub-flooring in office buildings, plants (where galvanized material carries wiring and other services).
- Hardware items such as pails, washtubs, etc.

Dofasco's first line, installed four years ago, has been operating at virtual capacity for some time now. The new line, to be installed next year, will substantially boost company's capacity. It will be so designed as to apply other types of coatings as well as zinc.

Stelco's big galvanizing line has a capacity of 90,000 tons of sheet annually.

Let U.S. Rye Quota Lapse, Our Growers Get a Break

From Our Own Correspondent

WASHINGTON, D.C.—The U. S. handed Canadian farmers an unexpected Dominion Day present, but it won't last long.

On July 1, the U. S. quotas against rye imports automatically were lifted.

For some unexplained reason, the U. S. Tariff Commission did not get around to holding hearings on extending the quota system until very late this year.

This means no quota at least until the Tariff Commission makes its recommendation and it is agreed to by President Eisenhower.

Tariff Commission hearings are scheduled for July 13 and it probably will take until near the end of the month before a recommendation is on the president's desk.

Thus, Canadian rye farmers will have about a full month to push their rye across the border free of quota. **The 6c bu. U. S. tariff still will have to be paid, however.**

The quota for all rye imports for the past year was set at 3.3 million bu. Of this amount, the Canadian share was 3.2 million bu.

When the quotas expired on July 1, almost immediately about 600,000 bu. of Canadian rye being held in the U. S. in bond, were released to the market.

And agricultural officials in Washington expect much of the two million-2.5 million bu. of rye held at Fort William and Port Arthur will be coming into the U. S. while the quota is off.

At present, rye prices are running around $1.12-$1.19 bu. for Number Two rye.

In the past, the Tariff Commission has sought to cut down the amount of rye entering the U. S., but President Eisenhower has upped the quota.

Considerable pressure is being put on the Tariff Commission now for another recommendation for a lower quota.

The Department of Agriculture is not unsympathetic to a lower quota, nor are the U. S. farm organizations.

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One of our special services is the analyzing of investment portfolios. Our Statistical Department will, without obligation, classify your securities for you, figure your present investment worth and your yearly income.

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The family minister of transport jokes as he lifts his young son into the car, but he is well aware that raising a growing child is no joke. It means watching family expenses with an eagle eye.

The annual expenditures of the Minister of Transport at Ottawa involve millions of dollars — and his department is only one of many.

This money comes through the Minister of Finance who gets it largely in taxes from Canadians such as you. When he spends more than he takes in, he must borrow from you . . . or else *create new money*. The creation of new money is one factor that leads to inflation — which means your dollar buys less and less.

The government has been spending more than you have been paying in taxes. To narrow the gap between income and expenditures, new taxes have been imposed.

You can encourage the government to live within its income by asking only for those services you are willing to pay for with taxes. Tell your M.P. at Ottawa that since *you* are trying to save, you expect *government* to do the same.

You also help when you save more by means of life insurance, savings deposits, and the purchase of government bonds. Your savings help to create a SOUND dollar; and this, in turn, helps to create job security for you and more jobs for other Canadians.

A SOUND DOLLAR MEANS A BETTER LIFE FOR YOU

GIVE YOUR ACTIVE SUPPORT TO THE FIGHT AGAINST INFLATION

A PUBLIC SERVICE MESSAGE FROM THE LIFE INSURANCE COMPANIES IN CANADA

They really do look after you when you fly to Europe De Luxe these days, don't they? The way the creature comforts are wheeled at you is enough to make any man forget his diet. But you hardly choose your airline solely on account of the trimmings — even the deft TCA variety. What are the *practical* considerations?

First of all, where do you fly *from*? TCA Atlantic flights go direct from Vancouver, Winnipeg, Toronto or Montreal. No change of plane.

Where *to*? TCA takes you to London, Glasgow, Shannon, Paris, Brussels, Dusseldorf, Zurich or Vienna (new this year). That's a much wider choice of direct flights than with other airlines.

When? With TCA, when *you* want to — there are De Luxe and First Class services every day of the week.

Add to these basic advantages the fact that no one has the edge on TCA when it comes to service and catering, and it becomes apparent why so many First Class passengers to Europe fly TCA. Make it your happy choice next time you go.

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ANNOUNCEMENT

FIELD AVIATION APPOINTMENT

L. G. WIGLE

E. G. Suarez, General Manager of Field Aviation Company Limited, announces the appointment of Lloyd G. Wigle as Marketing Director.

Mr. Wigle brings to this new post wide marketing and technical experience in the aviation business, gained first in the R.C.A.F. during World War II and latterly with the aircraft industry in Canada and the United States.

Mr. Wigle will have a marketing responsibility for all Divisions of the Company, including commercial and military maintenance and aircraft sales. He will also be responsible for the management of the Agency and Distribution Division, based at the Company's Ottawa office. Field is a member company of Hunting Associates Ltd.

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INTER-CITY GAS UNITS

Consisting of a $500 6½% 20-year Debenture and 40 common shares.

Inter-City Gas Limited owns and operates natural gas transmission and distribution pipeline systems in a number of Manitoba communities. Additional areas will be served as they prove economic. Revenue this year is estimated to be 2½ times last year's results.

Experienced investors regard public utility companies highly, due to the continuing and necessary nature of their business. We believe these Units offer an attractive combination of an above average yielding debenture plus the opportunity for capital appreciation through the common shares.

PRICE: at the market — currently $720.

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ANNOUNCEMENT

NEW PRESIDENT

THOR E. STEPHENSON

Election of Thor E. Stephenson as President of Canadian Pratt & Whitney Aircraft Company, Limited has been announced by the Board of Directors.

Mr. Stephenson, who succeeds the late Ronald T. Riley as Chief Executive Officer, had been Executive Vice-President prior to his new appointment.

At the same time the Board re-appointed, and Mr. James Young consented to act as Chairman of the Board for a limited period. Mr. Young retired as Chairman on January 1st last.

A native of Winnipeg, Mr. Stephenson joined the suburban Montreal aero engine and helicopter firm in 1956, and was appointed Executive Vice-President in 1958. Prior to this he served with the Government of Canada, his last appointment being Director of Aircraft Production in the Department of Defence Production.

Mr. Stephenson holds degrees in aeronautical engineering from the University of Toronto and the California Institute of Technology. He is a Fellow and former President of the Canadian Aeronautical Institute.

LABOR ROUNDUP

Watch for Trouble Over Work Farmout

Has management the right to farm work out?

It's becoming a touchy point in labor-management relations.

Watch for more explosive rifts at the bargaining table over the question.

To management, it's one of the effective tools for running a business efficiently.

To unions, it's a threat to job security of members.

In the over-all area of management rights, contracting-out of work is cropping up as a thorny issue in contract negotiations.

• **It was an important area of dispute** in the recently-settled **Polymer Corp.** strike — longest walkout of the year so far.

• **The stormy fight** between **Ontario Hydro** and its union early in the year involved the issue.

In scores of other new agreements, it will likely be a continuing issue—depending partly on how clearly management rights are spelled out in the contract agreements.

The question is not only touchy, it's also cloudy.

Some arbitrators have held that, unless the point is specifically covered in the contract, management has wide rights to run the business. But there is another strong view that a policy such as farming out work disturbs the collective bargaining unit and is a contract violation.

Actually, there have been cases of job elimination through close-downs of whole departments and through effects of automation.

But when outside workers enter a unionized plant to do work at different pay and under other working conditions, trouble usually develops.

The question has led several labor affairs specialists to urge management to make its "rights" clauses in contracts as strong as possible.

* * *

New sets of problems arise in collective bargaining of office and technical workers.

One area of disagreement: Work of supervisors.

The unions watch closely bargaining unit work that is assigned to supervisors.

In U. S. steel industry, for example, Steelworkers Union is trying to settle the issue in the way it has been handled in the plants: By restricting any tendency to shift work to supervisory staff.

The office and technical members of the union, like those in several other major industrial unions, are an increasingly important section. White collar members in steel industry total 40,000 now.

TCA Pilots May Seek $20,000 Pay

MONTREAL (Staff)— Airline pilots and **Trans-Canada Airline** executives appeared before a Montreal conciliation board this week.

The issue: Rates of pay for off-duty pilots away from home (**FP**, June 6).

The board heard the pilots ask for an hour's pay for every four on the ground away from home-base. The airline's spokesmen replied that this was unrealistic and would be too expensive for TCA, already facing a tight cost squeeze.

The "one-in-four" formula is in general use with U. S. trunk line carriers. It is not used by **Canadian Pacific Airlines.**

It has been left over from contract negotiations in September, 1957, which led to a 2-yr. contract.

The outlook for pilot-management relations is not encouraging. New contract talks come up this September whatever the outcome of this week's meeting. The pilots are then expected to make heavy pay demands for flying jets.

There is talk by the pilots of asking for salaries in the $20,000-a-year bracket. TCA is expected to dig in at a much lower level.

Health Cover for 65's Offered Now in Ontario

Something new in health insurance is being introduced into Ontario this week.

For the first time, people of any age from 65 on can buy sickness and accident insurance regardless of their physical condition.

The plan — called "Security 65"—is being launched through advertisements appearing in most Ontario newspapers.

A similar plan has just been offered in British Columbia as well.

Applicants merely submit a coupon clipped from their paper, giving their name, address and age.

Enrollment in the plan involves no medical examination, no health questions.

The plan pays $2 for each doctor's visit while in hospital and a set schedule of payments ($5 to $250) for every type of surgical operation in or out of hospital.

Superimposed on the Ontario Hospital Plan, for instance, the insurance provides up to $3 a day towards expenses incurred for private or semi-private room in hospital.

Other features include coverage for existing conditions after six months from the policy date, and a company pledge that no policy will be terminated or amended unless an equivalent change is made in all policies issued in Ontario.

Not covered by the plan is confinement through illness in a rest home, convalescent home, home for the aged or mental institution.

Cost? — $4.50 a month.

Key to the low cost, says plan's sponsor, **British Pacific Insurance Co.**, Vancouver, is the semi-group approach.

British Pacific offered its Security 65 program successfully in British Columbia for three weeks in June.

Company is licensed to do business in the five westernmost provinces. After Aug. 1, it will be licensed in all ten provinces.

No decision has been made yet to offer the plan in other provinces when the Ontario campaign ends.

There is a specific enrollment period ending July 29, 1959 — the date all policies take effect. Everyone enrolls at the same time, applications are processed by machines, thereby cutting administration costs.

As with most group policies, success of the plan depends on volume.

"The plan is actuarially sound," says British Pacific President Harry J. Seed.

"Savings due to mass merchandising of the policy, a limited enrollment period, and the handling of the records by electronic machinery are reflected in the very modest premium."

Announcement of the new plan has been generally well-received by the health insurance industry in Ontario.

W. Douglas Bell, managing director of the newly-formed Canadian Health Insurance Association, told FP that he was delighted to see British Pacific come forward with their plan for providing coverage for elderly people hitherto limited in their ability to get adequate supplemental health insurance.

Mr. Bell said that complications of the government hospital plan has until now held back insurers from providing this type of insurance. He hopes that British Pacific's step will trigger other companies into providing similar plans.

Insurance men point out, however, that the "Security 65 Plan" has certain limitations.

Benefits for instance continue for only 31 days for each illness, whereas benefits under policies for younger age groups run for several months or even a year of hospitalization.

It was also pointed out that despite the hazards of the older age group, the plan was not as risky for the insuring company as it might appear.

By the time a man or woman reaches the age of 65, most of the problems requiring surgery are over. What illnesses do befall an elderly person are often short-lived.

Getting Ahead

Astute businessmen plan for success; they read The Financial Post because it helps them make right decisions. Yearly by mail in Canada $8; elsewhere $9 yearly.

Banks Locked Out in Bid To Control St. Lawrence

MONTREAL (Staff) — Operational control of labor on all but two locks of the St. Lawrence Seaway now seems out of reach of James Hoffa and his Teamsters-led Transport Union Alliance.

A representation vote by Canadian canal employees held last weekend gave Canadian Brotherhood of Rail, Transport & General Workers a heavy majority.

They control all but the two U.S. locks.

The loser: Hal Banks and his apparently fading Seafarers International Union. It is one of the "founder members" of Hoffa's union team.

The SIU has been involved in a whirlwind series of inter-union disputes since it was expelled from Canadian Labor Congress for raiding the Marine Engineers (**FP**, July 4, June 27).

So far the scoreboard shows little success for the swashbuckling Banks and his team.

A picket line thrown around a British ship at Quebec City last week had to be removed when the company obtained an interim injunction. The ship sailed hours later.

Many shipping men had seen SIU's bid for control of Seaway labor as an important part in the take-over of the waterway by the Hoffa group.

At mid-week Banks was preparing to go before the Ontario Court of Appeals in a last-ditch attempt to get CBRT out of the locks and canals.

Meanwhile on the West Coast, SIU was continuing to annoy almost everybody in its bid to break a Marine Engineers' strike of **Northland Navigation Co.**

Ottawa was reported looking into charges that Banks was importing goons from the U. S. to bolster his water-front battalions.

The last few weeks have amazed shipping and labor circles. Banks and his lieutenants have few friends but many grudging admirers.

They have made few tactical mistakes in their decade of shipping labor control.

There were few who watched SIU apparently swaying from the hard punches of CBRT and the growing hostility of other CLC unions who didn't believe there was some master plan about to be revealed.

At mid-week it seemed that if Hoffa was going to use Banks as a Canadian agent he would have to start helping him soon.

Old rivals were moving in on SIU from all sides and they looked hard to stop.

a GOOD investment...

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A background of successful investment syndicates has already been developed by the Rest Plan organization, over the past 2 years. The investors in these syndicates are currently receiving 8% per annum (payable quarterly) plus the indirect benefit of mortgage reduction. The properties concerned are fully completed and revenue producing. Title is held by Guaranty Trust Company of Canada which also manages the properties and administrates the affairs of each syndicate under specific terms of trust. Units of Participation at $1,000.00 each are offered in certificate form subject to the terms of a Declaration of Trust, a copy of which is included in each prospectus. The prospectus of a new syndicate is available on request, from A. H. Rushforth Securities Limited 62 Richmond Street West, Toronto, Ontario.

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62 Richmond St. W., Toronto

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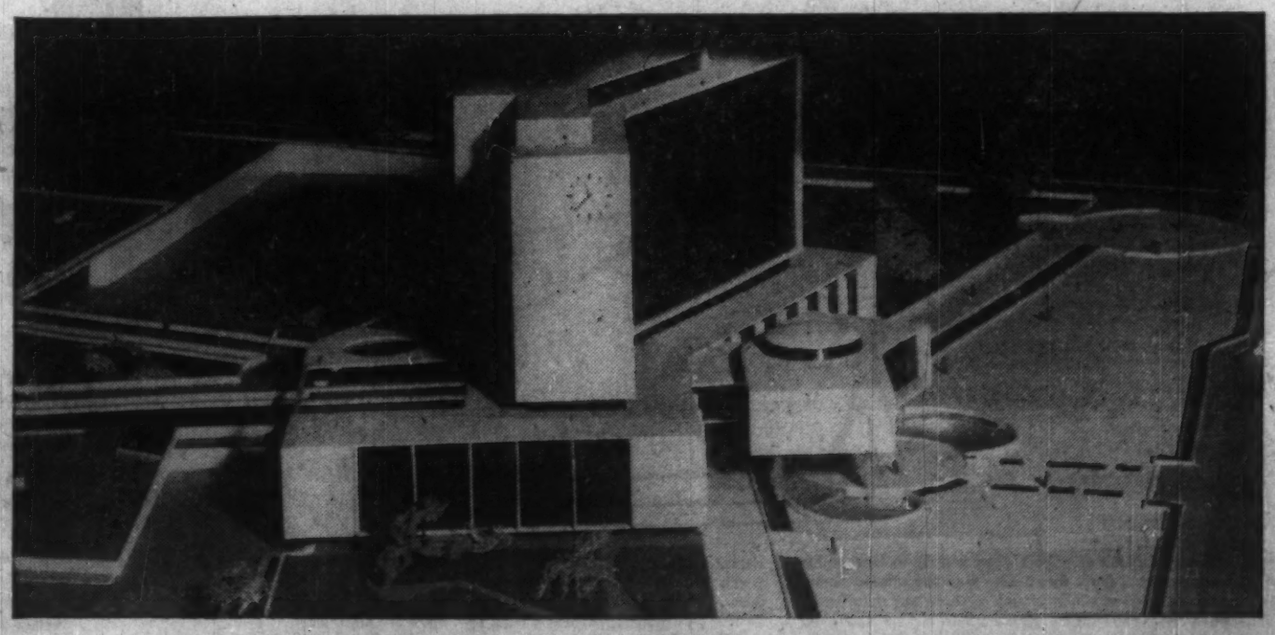

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Associate Consulting Engineer: C. S. Leopold Engineers Inc., Philadelphia
Mechanical Contractor: Goodram Brothers Ltd., Hamilton

TFJ-59-2A

What Makes Success

Simon F. Scott Makes Ingenuity Active Partner

This 74-year-old Medicine Hat manufacturer calls it "usin' your head." No matter what it's called, it has built a bustling industry. . .

Special Correspondence

MEDICINE HAT — "Ingenuity" is the one-word success story of Medicine Hat's **S. F. Scott Manufacturing Co.**

Founder Simon F. Scott, grizzled and active at 74, calls it "usin' your head".

But whatever term is applied, this thriving local industry is a do-it-yourselfer's dream and a testimonial to a man's ingenuity.

'I learned a long time ago," Simon says briskly, "that if somethin' don't pay, don't do it. But I learned too that most things will pay if you work hard and use your head."

The success of that theory can be readily seen in the compact brick plant, filled with humming machines and bustling workmen, just off the Trans-Canada Highway in the city's southwestern, light industrial area.

Virtually everything in the plant, from the steel roof supports to the most intricate cutting and shaping machines on the assembly lines, were designed by Simon Scott and manufactured in his own plant.

The products produced by his staff of a dozen men are as unique and diversified as the machines that produce them.

The primary product is playground equipment of all shapes and sizes built from designs dreamed up by Simon, his son Don and son-in-law Fred Allen.

But jail cells roll off the assembly line to fill orders throughout Western Canada.

Hydraulic aerial ladders, ornamental fence and step railings, steel stairways for hospitals and commereial buildings . . .

Electric power line clamps . . .

Picnic tables and swimming pool equipment . . .

They have all found their way to Canadian markets from the Scott plant.

"I guess you could say we make most anything," Simon says casually, "long as somebody wants it."

Working with iron and machines and "makin' things" has been Simon Scott's life-long occupation.

Born on a farm near Palmerston, Ont., Simon was working in a blacksmith shop as soon as he was old enough to leave the farm.

He spent better than three years learning the blacksmith trade in Moorefield, ran his own shop for a while in Rathsay and then spent the next five or six years working in various smithing jobs through Ontario.

The yen to travel hit him, and in 1916 he headed west, stopping in Calgary.

He worked for a year at **Calgary Iron Works** and then, hearing that there was a good opportunity for a blacksmith shop in the ranching town of Medicine Hat, he opened his own shop here.

He has been here "buildin' things" ever since.

Simon kept busy at general blacksmithing work until the winter of 1928-29. That winter he did his first real contract job, building hand sleighs for a firm in Calgary.

Then came a contract making weed burners for a Moose Jaw firm and he turned out over 1,000 of these units before the depression killed that market.

Contracts for luggage carts, frames and running boards for **Ford** cars and other accessory contracts kept the machines humming for several years but "when the running boards went out of style, so did our business".

About that time, road construction was becoming big business on the Prairies and Simon got to thinking about a better machine for earth-moving.

He developed the "tumblebug", a roll-over scraper, secured a patent on it, formed the **Success Land Leveller Co.** in 1938 and was in business in a big way.

"We sold those things all over Canada," Simon relates, "but when the big self-propelled earth moving machines came along, there wasn't much demand for our tumblebugs and we sold the Success Co. in 1950."

Indirectly, that development, and the fact that the local Lions Club had some money to spend on a park development, made the S. F. Scott Co., the diversified industry it is today.

After selling the Success Co., Simon, Don and Fred formed the present firm.

"We were doing pretty well with custom work of all kinds," Simon recalls, "and then one day some fellows from the Lions Club came around and said they needed some swings and slides and teetertotters for this park of theirs. We'd made a few swings before so we took on the job."

During the slack winter months the plant found extra work turning out standard playground equipment for the Lions park, and others.

"Then in 1953," Simon continues, "they came to us and said they wanted a merry-go-round. They didn't have much idea what kind they wanted so we just went ahead and built 'em one.

"We've been designing and building our own equipment since then. 'Course we had to build some machines to turn 'em out but that was no great problem."

That home-designed merry-go-round has now branched into a complete line of exclusively-designed "Blue Imp" playground equipment, including such items as:

- **The elephant climb,** a skeletal outline of a life-sized elephant, constructed of sturdy pipe for children to clamber and climb through.
- **"Buck-o-Bronc" and "Scoot-A-Whirl," "Ocean Wave,"** and many other park playthings that are finding a ready market throughout Western Canada from the U.S. border to the Peace River.

Simon has registered the name "Blue Imp" and designs on most of his original ideas are protected.

The first serious setback hit the Scott firm in February of 1957. Fire destroyed the plant, still on the site of the original blacksmith shop.

"We had several thousand dollars worth of work in various stages of completion," Simon recalls, "and we had to get movin' fast."

They cleared away the debris, rebuilt the machines and continued working, literally as much outdoors as in.

Plans were drawn up for a new plant on a new site and that same spring they moved into the present building, four times as large as the old one and laid out on an assembly line plan to facilitate operations.

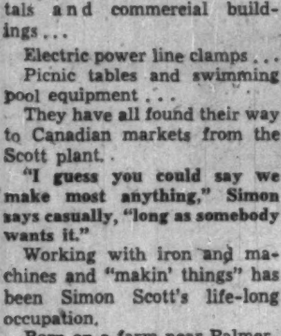
Today, Simon leaves most of the work to Don and Fred, contenting himself with helping develop new designs, overseeing the hand-made machines that are his personal pride and joy, and carrying out his many duties as a city alderman.

"I'm gettin' too old to work very hard any more," Simon says with a grin, "I just putter mostly now."

But "Dad", as he is called by his co-workers, is still "usin' his head" to see that the S. F. Scott Manufacturing Co. continues to be recognized as the city's most diversified manufacturer.

SIMON SCOTT (left) and son Don inspect playground slides of their own design.

ANNOUNCEMENT



ERNEST C. WINROW,

manager of the Bank of Montreal's foreign exchange department at the bank's head office, Montreal, since 1953, has been appointed supervisor of the same department. Mr. Winrow will be responsible for the extensive B of M foreign-exchange operations throughout Canada. He is a Montrealer by birth, and for the greater part of his banking career has specialized in foreign-exchange work. During World War II his services were requested by the Foreign Exchange Control Board, Ottawa, and later the Wartime Prices and Trade Board, also in Ottawa.

Oxygen Plant Will Supply Steel Mill

From Our Own Correspondent

REGINA — Oxygen for use in Regina's steel industry will be available by the time **Interprovincial Steel's** mill is ready for production early in 1960.

It will be supplied by a plant to be built by **Liquid Carbonic Canadian Corp.** adjacent to the steel mill.

J. W. Sharp, president of Interprovincial, said construction of the $750,000 gas plant will start this summer. It will supply gas to the mill through a pipeline at the rate of about 1,500,000 cu. ft. mo.

By injecting oxygen into the furnace during steel refining Interprovincial calculates a gain of from 10% to 12.5% in production without further capital outlay.

This will mean production of an additional 10,000 tons to 12,500 tons of steel per year.

The gas plant is expected to be in production next January, also the target date for completion of the steel mill.

Besides oxygen, the plant will produce a full line of other gases for industrial use as well as equipment for electrical and gas welding for sale in the Regina trading area. Liquid Carbonic is one of the Canadian subsidiaries of **General Dynamics Corp.**, New York.

McPherson & Thom Ltd., Regina, will be exclusive sales agent and distributor for products manufactured in the new plant. The company is a distributor of welding supplies.

Consol. Theatres Elects New Board

New officers and directors have been appointed to **Consolidated Theatres Ltd.** of Montreal. Operation of the chain has been taken over by **United Amusement Corp.** which, with **Famous Players Canadian Corp.**, has acquired a substantial number of Consolidated shares (FP, July 4).

New chairman is J. J. Fitzgibbons, president of Famous Players. Lester Adilman, formerly treasurer of Consolidated, has been its president.

Appointed vice-president and general manager of Consolidated is William G. Lester, president and managing director of United Amusement.

Secretary is Angus MacCunn, who holds the same post with Famous Players.

R. W. Bolstad, vice-president and treasurer of Famous Players, is new treasurer of Consolidated.

These officers are also directors of Consolidated. The other director is George Destounis of Montreal, a director of United Amusement.

New comptroller of Consolidated is George Arnott.

Former Consolidated officers were president, J. Arthur Hirsch; vice-president, W. Elman; and secretary, J. J. Rosenthal, all of New York. Mr. Adilman was treasurer.

These four former officers and L. M. Blomfield, and Lazarus Phillips, of Montreal, formed the old board.

(Advertisement)

We deeply regret to announce the retirement of

MR. ROY N. HATT

as a general partner in our firm as of June 30, 1959

*

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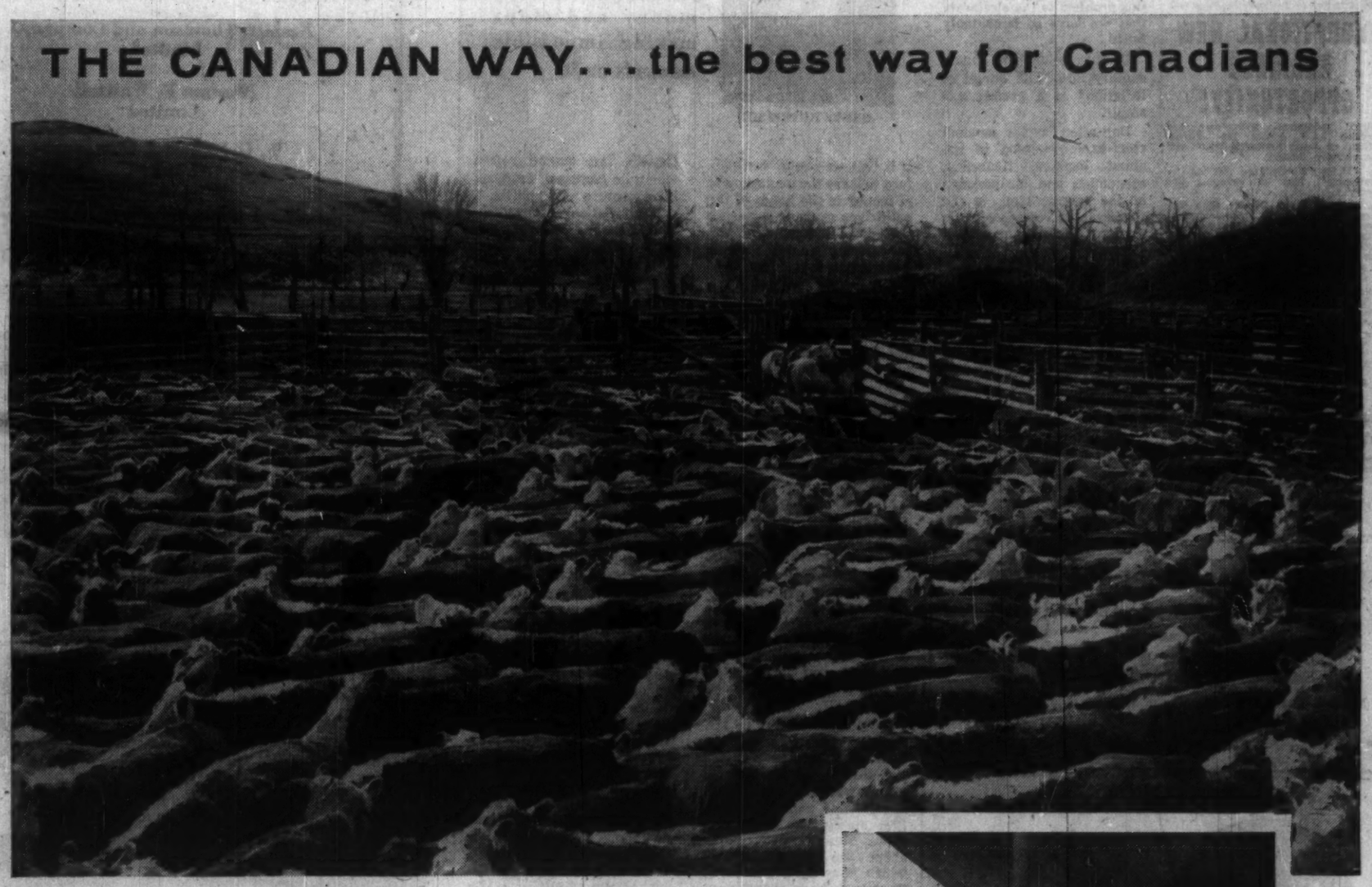

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ANNOUNCEMENT

NEW DIVISION APPOINTMENT SURVEYER, NENNIGER & CHENEVERT

C. SENNEVILLE

Surveyer, Nenniger & Chenevert, Consulting Engineers, announce the appointment of Mr. Claude Senneville, B.A.Sc., M.Sc., P.Eng., to head a new division of Soil Mechanics & Foundation Studies. Mr. Senneville, who has a wide and varied experience in this branch of engineering, graduated from Ecole Polytechnique in 1947, and obtained his master's degree in soils engineering from Harvard University in 1951.

SCHOLARSHIPS

Canadian Good Roads Association has awarded scholarships for post-graduate study in highway and highway transportation technology. Six engineers from three provinces will study at Queen's University and at four major educational institutions in the U. S. Value of the awards is $13,000.

EXCEPTIONAL NEW BUSINESS OPPORTUNITY!

National magazines, newspapers and television have thrown the national spotlight on North America's newest and most exciting industry.

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Bruce Hutchison Writes

Our Money Must be Managed By Experts, Not Politicians

"Senate inquiry into inflation shows the main problem of money, the problem of communication . . ."

By BRUCE HUTCHISON

THE CANADIAN Senate's finance committee has been doing a superb job on the problem of money in a modern state and proving that a legislative chamber of second thoughts sometimes excels first thoughts of the Commons. But for all their diligence I venture to think that the senators are missing the main point.

Those who have read the committee's Hansard—a handful of Canadians at most—must see at once that the main point is not money itself but, so to speak, the public image of money; not the management of money but the people's willingness to permit its wise management; not the facts but the myths; not economics but politics.

In short, the problem of preserving the value of money, and hence many things even more important, is mainly a problem of communication. **And it is in communicating this problem to the electorate that we have so lamentably failed.**

Of this failure the Senate enquiry into "The Threat of Inflation" is a perfect example.

Day after day the senators cross-examine some of the ablest bankers, financiers, economists and businessmen in the country and, in the stenographic record, compile a master work on the subject of money.

Yet all this information, touching every family in Canada, gets to hardly anybody. I would wager that not one Canadian in ten has ever heard of the enquiry and not one in a million has followed the evidence.

The public mind is concentrated on lesser and more spectacular news from Ottawa. As usually happens in a democracy, the dull, vital thing is thrust aside by the small, exciting thing.

Politics in the Commons is paying off on a dozen minor or false scents while the Senate plods down the main path, unobserved. We seem to have reached the point in democracy where no important idea can be sold to the public unless it is presented as a girly show with singing commercials.

It happens that I have read the Senate record, not just through any sense of civic duty but because in my trade I am paid to do it and from this material I could write a dozen important news stories that have never appeared in the papers.

There is no space to mention those stories but one fact stands out, massive and alone.

BRUCE HUTCHISON

The government will continue to dominate fiscal policy until the public learns about money and stops making impossible demands on it.

It is that we simply can't afford to leave the management of money in the hands of the politicians since, as a species, they don't understand it and are catering to a public which understands it still less.

With this opinion Mr. Fleming, the sorely tried and rapidly educated Minister of Finance, seems to agree. He has assured the Commons over and over again in a series of extremely able speeches that money is not under the control of government or parliament but solely, and rightly, in the Bank of Canada's skilled hands.

The experts of the Bank alone decide how much money shall circulate, whether it shall be tight or loose and, therefore, what interest rates it shall bear.

The Government, one gathers, would not think of bringing the most innocent pressure on Mr. Coyne to inflate or deflate the currency, not even a discreet hint or wink in the citadel of the Rideau Club.

If Mr. Diefenbaker or Mr. Fleming should meet the Bank's governor on Wellington Street the subject of money would be strictly unmentionable, almost indecent. Presumably they would talk about the weather, never about the sacred mystery which joins government and Bank in daily co-operation or struggle.

That whole theory of the Bank's independence was considerably altered, as I read the record, before the Senate committee by various witnesses, most clearly by A. H. Cameron, a tough-minded Toronto financier who evidently had been doing his homework.

As Mr. Cameron says, the monetary policies of the Bank cannot be divorced from the fiscal policies of the Government. Whatever the law may provide to the contrary, they are inseparable Siamese twins.

If the Government finances on gigantic deficits and cannot borrow enough out of the existing money supply to pay them it must borrow from the central Bank and the Bank must create new printing-press money for the purpose.

The Government orders the meal. The Bank perforce picks up the cheque. That is precisely what happened last year.

Oddly enough, neither public nor politicians have yet detected the high explosive and grim warning buried under the urbane phrases of Mr. Coyne's last annual report where he discusses, deadpan, his adventure with politics.

The inflation of money in 1958, he says, "was substantially greater than would have been necessary or desirable for monetary and economic reasons alone but was, I believe, justified and unavoidable in order that a strenuous and successful effort might be made to deal with serious problems affecting the financing of the Government's cash deficit and the condition of the public debt."

In plain, nonbanking terms the Bank did not inflate money as an economic stimulant but was compelled to rescue the Government from its deficits.

Monetary policy, which is supposed to be sovereign and independent, was twisted and wrenched to fit fiscal policy.

The Bank was presented with a fiscal fait accompli and the deficit was paid by nothing but sheer inflation.

Mr. Cameron puts the thing rather neatly as follows: "Since the Bank of Canada cannot make fiscal policy, its influence in this field is only a reflection of the persuasiveness of the Governor and the receptivity of his audience in the persons of the Prime Minister and Minister of Finance . . . Since this is a cabinet-system democracy, the final decisions are made by cabinet, or the caucus . . . The Bank, a creature of government, cannot be completely independent of its creator, the Government."

So it has turned out despite all Mr. Fleming's pious and, no doubt, sincere protestations. But the Government, dealing with money, does not operate in a vacuum of financial chastity.

It operates in the brawling arena of politics. It does what it thinks the public wants it to do. And the public, ignorant of money management, not even knowing what money is or how it is made, often wants the Government to do what it cannot do without injuring the public itself.

Though few people will read the Senate committee's evidence, it has isolated this, the main problem of money, the problem of communication.

It has demonstrated, first, that money cannot be successfully managed by government but must be left in the hands of experts, as the law intends; second, that any government can drive a coach and four through the intent of the law by a fiscal policy which necessarily dominates and can distort monetary policy; and, third, that government will continue to do so until the public learns about money and stops making impossible demands on it — which may be never.

The Senate enquiry would be a valuable piece of education if the press and the public would pay any attention to it. So far they haven't.

Meanwhile politics fumbles with the lock on the barn door long after the horse has escaped, is half a mile down the road and has eaten up half the value of the dollar.

"This issue having been sold, this advertisement appears as a matter of record only"

ADDITIONAL ISSUE:

286,815 Common Shares
(of the Par Value of $1 each)

PACIFIC PETROLEUMS LTD.

(Incorporated under the laws of the Province of British Columbia)

TRANSFER AGENTS:

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REGISTRARS:

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The Common Shares of Pacific Petroleums Ltd. are listed on the Toronto, Calgary, Montreal and Vancouver Stock Exchanges, and on the American and Pacific Coast Stock Exchanges.

These Common Shares must be regarded as speculative securities

The Common shares offered by the Prospectus are being acquired by Nesbitt, Thomson and Company, Limited from Sinclair Oil & Gas Company, which company is optionee of the said shares, at a price per share based upon the market price as more particularly set forth in the Statutory Information contained in the prospectus.

We, as principals, offer these 286,815 Common Shares of the Par Value of $1 each in the capital of Pacific Petroleums Ltd. if, as and when received by us, subject to prior sale and change in price and subject to the approval of all legal matters by Messrs. McDonald, Stuart, Prothroe, Cowper-Smith, Considine & Graham, Calgary, Alta., counsel for the Company and by Messrs. Milner, Steer, Layton & Park, Calgary, Alta., on our behalf.

Sinclair Oil & Gas Company is not a principal, an underwriter or a participant in this offering.

PRICE: On application.

It is expected that share certificates in definitive form will be available for delivery on or about July 10, 1959.

A prospectus, a copy of which has been filed with the Registrar of Companies of the Province of British Columbia, will be forwarded promptly upon request.

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Toronto	250 University Ave.
London	291 Dundas St.
Montreal	901 Victoria Square
Quebec	995 Cha[illegible] St.
Saint John	15 Canterbury St.
Halifax	65 Spring Garden [illegible]

Must Pay Higher Interest Rate Before Manitoba Backs Loans

From Our Own Correspondent

WINNIPEG — High interest rates have forced the provincial government to boost its support guarantee of interest on municipal debentures from 5½% to 6¼%.

The former Campbell government in 1957 passed legislation to guarantee interest on municipal debentures issued for sewage disposal and water supply systems.

The guarantee was to apply only if the rate on interest cost on debentures issued by a municipality in opinion of the provincial treasurer were more than one half of 1% above the rate the province would have to pay on its own debentures.

A year ago the province was able to sell its bonds at a low interest cost.

Now, said Premier Roblin, even the federal government was paying 5¾% and the province would probably have to pay a little more.

Under the legislation the government had no choice but to raise the guarantee level to the municipalities.

Opposition leader D. L. Campbell, whose government passed the legislation, suggested the government if it wished could change the Act.

Interest rates were so high many municipalities couldn't borrow at all and even if they could, the cost would be a heavy load on municipal taxpayers who sooner or later would have to have some relief.

Mr. Roblin answered he had suggestions for the federal government to be presented at the federal - provincial conference this month.

Without disclosing what they were, he said that if accepted they would provide "a substantial level of relief".

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FP-59

ANNOUNCEMENT

R. L. BERGKLINT

Canadian Westinghouse has appointed Robert L. Bergklint to the post of marketing manager, Apparatus Products. Formerly marketing manager for industrial controls, he will coordinate apparatus pricing policies, market research, distribution, training, advertising and sales promotion and market planning.

YOU AND THE LAW

If you were the judge, how would you have decided this real Canadian court case?

Error or Negligence?

Clute was injured and taken to hospital. He complained of pain in his neck and X-rays were taken. Although a radiologist was available several internes examined the X-ray plates and found nothing wrong. The patient was discharged.

Clute went to his own doctor. A radiologist was consulted. He examined the plates and immediately ordered Clute to the hospital. He died five days later.

Clute's widow sued the hospital for damages: "My husband had a broken neck and the internes did not diagnose it. They could have called in a specialist, the radiologist, but they failed to do so. In result my husband failed to receive the necessary treatment; he was discharged and died a short time later. The internes were negligent. Since they are employees of the hospital, the hospital is responsible."

The hospital replied: "We take great care in selecting our internes. To err is human. This has been an error in professional judgment, not negligence."

Would you find the hospital liable?

The court found that Clute died as a result of not being confined when he should have been. The internes had been negligent in his release. This negligence was imputed to their employer the hospital. The hospital was held liable.

Based on a decision of the Supreme Court of Canada from the British Columbia Court of Appeal.

By H. T. G. ANDREWS

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What's New

New products, new uses, new ideas, new money-makers. FP reports them here and invites your contributions. Write to 481 University Ave., Toronto.

Binding System

A binding system that transforms loose sheets of paper or continuous forms into permanent, hard cover books or booklets within minutes, and without skilled operators. Cost said to be a fraction of other methods.

* * *

Oil Repellant Fabric

A new line of suitings treated with **Minnesota Mining & Manufacturing Co.'s** Scotchguard finish is being introduced by a Japanese firm. The treatment, it is claimed, makes the fabric resistant to stains from all-type liquids, including oil and grease.

* * *

Metal "Tenderizer"

A new cutting compound formulated to help overcome surface tension, stress, and metal - to - metal adhesion which prevents tool rotation has been produced in the U. S. The firm says the compound, known as "Metal Tenderizer," is especially useful in drilling, threading, reaming, milling and shaping of hard metals or alloys.

* * *

Quartz Lamps

New tubular quartz lamps said to be able to keep themselves clean inside and out, have greater efficiency and long life are being introduced by **Canadian General Electric Co.** Intended for commercial or industrial use, the lamps have a high operating temperature which incinerates most dust particles settling on them. Iodine vapor, in lamp filling, catches tungsten particles as they burn off the filament and redeposits them on the filament instead of blackening the bulb.

* * *

Electric Heater

A Dutch firm is marketing a portable electric heater for an automobile engine. The ribbed tube heater, said to be drip proof, is placed in the garage floor, below the engine and radiator. A thermostat switches the electricity off when the engine is warm.

* * *

Aquarium Pump

A U. K. firm has produced a midget aquarium pump, 3⅜ in. by 1⅞ in. by 2 in., which is claimed to provide a higher air output than other aquarium pumps.

* * *

Dump Trucks

Two new rear-dump, off-highway trucks will be built in Canada to save construction, quarry and mine industries money, **International Harvester Co. of Canada** says. The trucks, powered by diesel engines, feature corrugated bodies and either 27-ton or 19-ton payloads.

* * *

Textile Softener

A new silicone emulsion designed for softening thermosetting textile finishes is now available from **Bakelite Co.**, division of **Union Carbide Canada Ltd.** Besides offering high tear strength, abrasion resistance, enhanced sewing properties, and increased durability, the emulsion is said to resist wet soiling and improve release of soil during laundering.

* * *

New Literature

A folder describing an insulating brick made from a diatomaceous earth found only in Denmark, from **Canadian Refractories Ltd.**, Montreal . . . Illustrated brochure on "Texalon," a new all-synthetic belting material, from **W. R. Watkins Co.**, Toronto . . . Technical bulletin on a new inverted fire-resistant emulsion-type hydraulic fluid from **Sun Oil Co.**, Toronto . . . Booklet on "Dor-Less-Dor", an air curtain barrier for building entrances, from **Airwater Supplies Ltd.**, Toronto, or **C. O. Monat & Co.**, Montreal . . . Literature on combination letter and legal records storage file from **Dolin Metal Products, Inc.**, Brooklyn 16, New York.

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ONE VIEW OF THE MARKET

Here Are Stocks Traded By Dominion Life in 1958

Canadian life insurance companies have an investment of $104 million in Canadian stocks. As a service to its readers, FP presents here one of a series reporting on the holdings of individual companies, as well as changes in their portfolios of Canadian preferred and common stocks last year.

Dominion Life Assurance Co., Waterloo, Ont., in 1958 maintained its holdings of preferred stocks at 2.0% of total invested assets. Company reduced its holdings of common stocks to 0.7% from 1.0%. Stocks were carried on its balance sheet at $1,181,819 at Dec. 31, 1958 ($1,267,024 a year earlier).

During the year, in its holdings of Canadian stocks, Dominion Life:

—Liquidated three preferred issues.

—Added one common stock to its portfolio and warrants in two other common issues.

—Liquidated two common stocks and reduced its holdings in one other.

Here are company's holdings of Canadian preferred and common stocks at Dec. 31, 1958, together with changes from previous year-end:

	Shares Held at Dec. 31 1958	Change Since Dec. 31 1957
Preferred:		
Acadia-Atl. Sugar, 5%	200	....
Aluminum of Can., 4½%	2,000	....
Anglo-Can. P.&P. $2.80	1,225	....
Anglo-Can. Tele., 4½%	1,000	....
B. C. Electric, 4¾%	1,000	....
B. C. Tele., 4½%	500	....
Do. 4¾%	500	....
Cdn. Brit. Aluminium	1,500	....
Cdn. Celanese, $1.75	1,000	....
Cdn. Utilities, 5%	250	....
Estabrooks, T.H., 4.16%	735	....
Fittings Ltd., 60c	2,000	....
Gordon Mackay & S., 50c	2,250	....
Hahn Brass, 80c	3,000	....
Hamilton Cotton, 5%	500	....
Hughes-Owens, $1.60	1,000	....
Massey-Furg., 4½%	....	—65
Nat. Drug & Ch., 60c	....	—3,000
Nat. Grocers, $1.50	1,000	....
N. S. Light & Pr., 4½%	850	....
Simon, H., & Sons, 5%	175	....
Un. Corps., $1.50	1,500	....
Western Grocers, $1.40	1,000	....
Zeller's Ltd., 4½%	....	—750
Common:		
Abitibi P. & P.	4,300	....
British American Oil	5,500	—4,500
Cdn. Brit. Alum., A warr.	3,000	....
Do B warr	500	+500
Cdn. Husky Oil, warr.	400	....
Dom. Electro. Ind., warr.	625	+625
Hudson's Bay Co.	1,135	....
Hudson's Bay Oil & Gas	100	....
Interprov. Pipe Line	1,000	....
Milliken Lake Ur.	....	—1,000
North Star Oil '57 warr.	1,350	....
Ont. Jockey Cl., warr.	4,500	....
Que. Nat. Gas	856	....
Saskatoon Pipe Line	400	....
Sincennes-McNaught, L.	250	....
Stanrock Uranium M.	....	—2,500
Steinberg's Ltd.	1,000	+1,000
Trans-Can. Pipe Lines	4,185	....
Waterloo Trust & Svgs.	1,250	....

Company's invested assets at the year-end consisted of 44.3% bonds, 43.3% mortgages, 5.9% policy loans, 2.7% stocks, 2.8% real estate, and 1.0% other. An analysis of invested assets at the end of each of the last four years shows as follows:

Analysis of Invested Assets

	1958	1957	1956	1955
Bonds:	%	%	%	%
Government	11.2	11.0	12.2	12.0
Municipal	4.8	4.7	4.9	5.2
Other	29.3	29.1	29.7	30.6
TOTAL	44.3	44.8	46.8	47.8
Mortgages:				
Farm	0.1	0.1	0.1	0.1
Urban	43.3	43.2	41.7	39.7
TOTAL	43.3	43.3	41.8	39.8
Policy Loans	5.9	5.8	5.1	4.9
Stocks:				
(a) Preferred	2.0	2.0	2.2	2.7
(b) Common	0.7	1.0	1.0	1.3
TOTAL	2.7	3.0	3.2	4.0
Real Estate	3.3	3.2	3.3	3.4
Other	1.0	1.1	0.8	1.1
Grand Total	100.0	100.0	100.9	100.0

APPOINTED CMHC DIRECTOR

Margaret E. Perney, QC, of Toronto, has been appointed a director of Central Mortgage & Housing Corp. Miss Perney has been engaged in private practice in Toronto since 1940.

She was a solicitor in the Agricultural Development Board which later became the office of the Commissioner of Agricultural Loans. She is a member of the Toronto Board of Education and is associated with various legal, educational and women's organizations.

FINE PAPER OUTPUT

Canadian fine paper production was up 0.1% in May compared with the same month a year ago. Shipments were 0.4% higher. For the first five months output was 7.3% higher and shipments up 5.7%.

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WILLIAM R. SCOTT, B.Comm., C.A.

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1 C46	Runout	50,000
1 DC3	Zero Time	100,000
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Industrial Growth

Manufacturing plants new to Canada; expansions of existing industry across the nation.

Kimberley, B.C.

Foundation Co. of Canada Ltd., has been awarded the contract for construction of buildings and installation of equipment for **Consolidated Mining & Smelting Co. of Canada's** iron and steel project at Kimberley, B.C.

Lurgi Gesellschaft, Frankfurt, Germany, will supply sintering equipment and **Elektrokemisk**, Oslo, Norway, will supply the first electric pigiron furnace.

Two European firms performed the final test work for the electro-thermic reduction process which will be used at Kimberley for the first time in North America.

Cominco's own engineering division will design the iron and steel smelter and will purchase other equipment as required. Value of the contracts hasn't been released.

Foundation expects to start work this month and first stage will consist of establishing footings for the buildings and heavy equipment. Erection of buildings will start in late autumn as steel deliveries begin.

Installation of major equipment will start in March, 1960.

The smelter will utilize iron tailings from the **Sullivan Mine** at Kimberley to produce pig iron, steel ingots and rolled steel products at planned capacity of over 100,000 tons per year.

Owen Sound, Ont.

Construction has started on an 8,000 sq. ft. one-story plant for **Canadian Library Supply Co.**, in Owen Sound, Ont.

Owen Sound industrial commissioner, M. McKenzie, said the company would be the first Canadian firm to cover the entire field of library furniture, bookbinding and supplies, with a complete line of made-in-Canada products.

The plant is being erected by **Owen Sound Industrial Developments Ltd.**, with funds subscribed by the citizens of Owen Sound and district.

Officers of the company: W. C. Watkinson, president, and Terry Barclay, general manager.

The company plans to maintain a sales office in Toronto in addition to its manufacturing operations in Owen Sound.

Toronto

Canadian Westinghouse International Co., Toronto, has won an order for five giant power transformers from **Electricidad de Caracas** for use in the expanding hydro network of Caracas, Venezuela.

Work is now under way at Westinghouse's Hamilton plant.

Two of the units will be installed at the Tacoa power project near Caracas where they will boost power voltage from a generated 11,320 volts up to 230,000 volts for transmission to the city and region. Tacoa plant is being enlarged by addition of new steam turbine generating equipment.

Three transformers will go to the El Junquito substation where they will be used to step down the high voltage transmitted power to 63,889 volts for distribution.

Two of the transformers will each weigh 160 tons, 40 tons of which is insulating oil. The others will each weigh 125 tons, including 30 tons of insulating oil.

First transformer is scheduled to be shipped in September.

Robert Bosch (Canada) Ltd., wholly-owned subsidiary of **Robert Bosch GmbH**, Stuttgart, Germany, has added around 8,000 sq. ft. of factory and warehouse space to its Atomic Ave., plant in Toronto.

At the same time, the Montreal branch office has been expanded and moved to 3429 Park Ave. Montreal facilities include showroom, sales and service department, as well as spare parts department.

The Atomic Ave. plant was built only 18 months ago but growth of all three of the company's divisions, electric tools, radio and electronics, and automotive products, has necessitated further expansion.

News of industrial growth in the Metropolitan Toronto area as reported by the Toronto Industrial Commission:

Fyr-Fyter Co. of Canada, subsidiary of **Fyr-Fyter Co.**, Dayton, O., has leased premises at 136 Manitoba Ave., Toronto. H. G. Lyon will be Canadian sales manager.

The parent firm and its subsidiaries are members of a group of companies whose products include a complete range of fire protection devices and services.

Canadian sales have been made previously through a representative in Hamilton. The new facilities will permit manufacture of many of the products in Canada and better service for the entire range.

Portable fire extinguishers from 1 qt. to 40 gal. sizes are made under the parent company's name.

Other portable and customized fire extinguishers are produced by the systems division; nozzles and fire hose couplings come from the **Wooster Brass** division; sprinkler systems are made by **Globe Automatic Sprinkler Co.**, division.

Electricar of Canada Ltd., a new Canadian company, has recently begun assembly of battery-operated golf cars in a 12,000 sq. ft. building on Fairall St., Ajax, Ont.

Motors and frames are being imported and assembled under licence from a U. S. firm, **Electricar Manufacturing Corp.**, Freeport, N.Y.

Universal Record Manufacturing Co., and **Continental Record Co.**, have occupied 10,000 sq. ft. of floor space at 1244 Dufferin St., Toronto. These newly incorporated Canadian companies are now manufacturing and distributing name brand phonograph records formerly manufactured and distributed in Montreal through **Empire Records Ltd.**, and **American Record Corp.**

Records are sold throughout the country by supermarkets, chain stores, department stores and record shops. P. A. Bonnici is general manager and secretary treasurer.

Grinnell Co. of Canada Ltd., subsidiary of **Grinnell Corp.**, Providence, R.I., has started construction of a new warehouse on the company's seven-acre site at 10 North Queen St., in Etobicoke.

Building will contain 100,000 sq. ft., and will cost around $750,000. Architect is **Sheppard & Powell Ltd.**, and general contractor is **Finley W. McLachlan Ltd.**, both of Toronto.

Existing plant and warehouse on Dundas St. W., Toronto, was opened in 1919 and will be retained by the firm and modified to increase manufacturing capacity when the move is made to the new building.

Products include: cast iron, malleable, cast steel and bronze fittings; welded fittings; steel flanges; hangers, diaphragm valves, unit heaters and industrial supplies.

Building will include an engineering department where specifications and designs will be drawn and components can be assembled into finished prefabricated systems for erection.

Casco Electric Products (Canada) Ltd., has completed its move into a new plant at 218 Evans Ave., Toronto. A subsidiary of **Casco Products Corp.**, Bridgeport, Conn., the company has been manufacturing in Toronto since 1956. The move more than doubles capacity to 10,000 sq. ft. of floor area. The company makes automotive cigar lighters and antennas, steam irons, thermal massagers and heating pads.

Atlas Polar Co., 60 Northline Rd., has leased a second plant on one acre of land at Underwriters Rd., and Crouse Rd. This 5,800-sq. ft. building will house the fabrication division and represents the firm's third expansion in the past 10 years.

This division of the company specializes in engineered custom steel fabrications. The new high ceiling in the new plant will permit fabrication of large sections. New machinery being installed includes a large brake and special drilling equipment.

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Construction Industry Healthy at Mid-Year

Canada's construction industry is in a healthy condition at the mid-year mark, better, in fact, than some of the experts expected at the beginning of the year, **Hugh C. MacLean Building Report** says.

Based on six-month figures for construction contract award dollar volume, the Report states, the industry can look forward to a generally active period in the immediate future (**FP**, June 13).

Increasing strength of the industrial category is one encouraging aspect of the current construction picture.

Early in the year, this category was 60% below the 1958 volume. Six-month volume of industrial construction for 1959 has now drawn level with last half-year's total.

If current activity in this field continues, year-end total should better 1958 by a fair margin.

National cumulative total of construction contract awards for first six months of 1959 was $1,487,807,500. This was $195.5 million or about 11.6% below the 1958 figure for the period.

Percentage changes for the various categories in comparing 1959 and 1958 six-month figures:

Residential, down 17.8%; business, down 3.5%; industrial, down .005%; engineering, down 11.6%.

Total contracts awarded for June, 1959, were $327,188,700, down $60.6 million from the same month last year. Business and industrial categories recorded gains for the month.

Metropolitan trends:

Toronto and Montreal both showed decreases in volume during the first six months of the year.

Montreal's six-month total is $227.7 million, down $145 million from 1958 figure and Toronto, at $234.9 million this year, is $47.9 million lower than the 1958 figure.

Toronto showed a 5.9% gain in business while Montreal showed a 15.6% gain in the engineering category.

Comparative national figures in million of dollars for June, 1959, (1958 figures in brackets) are: residential, $107.9 ($155.4) down $47.5 million; business, $118.5 ($96.6), up $21.9; industrial, $18.2 ($11.3), up $6.9; engineering, $82.6 ($124.6), down $42.0.

Comparative national cumulative figures for each category for first six months of 1959 (with 1958 figures in brackets) in millions of dollars:

Residential, $546.9 ($665.3), down $118.4; **business**, $471.6 ($488.8), down $17.2; **industrial**, $142.1 ($142.1); **engineering**, $327.2 ($386.9), down $59.7.

While the Maritimes, Ontario and Quebec, were down for the first six months of this year compared to 1958, the Western region showed a gain of $42.5 million to $394.1 million from 1958.

October Start On Lord Elgin Hotel Extension

Construction will start Oct. 1 on a $1-million extension to the **Lord Elgin Hotel**, Ottawa. It will provide facilities for up to 2,000 people when completed.

The new construction program is the first phase in an operation designed to ultimately make the Lord Elgin the largest hotel in Ottawa.

The new wing will greatly expand convention facilities and make it possible to draw larger groups from the U. S. and Canada to Ottawa.

Convention hall, restaurant and function rooms will be built at ground floor level to facilitate movement of heavy display material.

Plans also include an outdoor roof garden for summertime dining and dancing.

Architect is **M. W. Ross**, Montreal.

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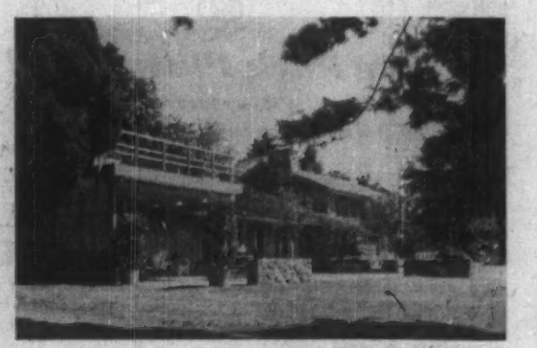

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ANNOUNCING

Important appointments in Canadian Industry, Finance, Business and Government

Abitibi Power & Paper Co. (Toronto)—J. A. Cruickshank, appointed manager of insurance.

Anglo-Canada Fire and General Insurance Group (Toronto) — H. Laurie Graham, appointed director.

Canadian Duff-Norton Co. (Toronto)—James C. Nairn, appointed sales manager.

Canadian International Paper Co. (Montreal) — R. W. Becket, appointed secretary.

Canadian Seed Trade Association (Toronto) — S. E. McDonald, appointed president; Aubrey Robertson, 1st vice-president; Fred Brown, 2nd vice-president; Gordon L. Smith, secretary.

Canadian Welding Bureau (Toronto) — Joseph T. Biskup, chief welding engineer.

Cockshutt Farm Equipment (Brantford, Ont.)—T. G. Gedge, appointed secretary-treasurer; B. A. Balderson, comptroller.

Computing Devices of Canada (Ottawa)—Robert G. Salusbury, contracts manager.

Doran Construction Co. (Montreal)—George L. Cummings, appointed secretary; William R. Scott, treasurer.

Federation Insurance Co (Montreal) — Dr. W. Vols, appointed secretary.

Great American Insurance Co. (Toronto)—D. E. Makinson, appointed casualty and automobile superintendent.

Honeywell Controls Ltd. (Toronto)—A. E. Anderson, appointed market manager, residential division.

Honeywell Controls Ltd. (Toronto)—H. G. Sedgley, appointed sales manager, industrial division.

James Howden and Co. of Canada (Toronto) — R. O. Standing, appointed director.

James Howden and Co. of Canada (Calgary)—J. A. Neale, appointed western manager.

Natural Products Corp. (Toronto)—J. Harry Trotter, appointed executive vice-president.

National Steel Car Corp. (Hamilton) — J. Plumpton, appointed vice-president-finance.

Ontario Paper Company (Thorold, Ont.)—David F. Kerr, appointed sales manager.

Philips Industries Ltd. (Toronto)—Lloyd B. Kiely, appointed vice-president in charge of sales, Philips television, high fidelity and radio products.

Phillips Electrical Construction Co. (Brockville, Ont.)—G. H. Turner, appointed general manager.

Reliable Toy Co. (Toronto) — Alex Samuels, appointed president; L. S. Samuels, vice-president; W. C. Hebdon, treasurer; H. Adelman, general sales manager.

Salada-Shirriff-Horsey (Toronto)—Arthur E. Beeby, appointed vice-president responsible for sales and advertising.

Seiberling Rubber Co. of Canada (Toronto) — J. B. Preston, sales manager.

Sherwin-Williams Co. of Canada (Montreal) — Sidney Ling, appointed vice-president and general manager.

Sun Oil Co. (Toronto) — Fred A. Cunningham and George H. Brereton, appointed assistant managers, retail sales department.

Standard Tube and T. I. LTD. (Woodstock, Ont.)—E. J. Lydiatt, manager.

Tandy-Richards Advertising (Montreal) — Ben H. Holdsworth, appointed general manager, Montreal office.

Texaco Canada Ltd. (Montreal)—R. W. Sparks, appointed manager, producing department, Calgary; J. E. Leduc, manager, Montreal district office; R. B. MacKenzie, Maritime district manager in Halifax; George W. Stewart, manager, supply and distribution department, Montreal.

The White Pass and Yukon Corp. (Vancouver)—Norman F. W. H. D'Arcy, appointed vice-president; A. P. Friesen, vice-president, secretary and treasurer.

Univex Die Cast & Engineering Co. (Dearborn, Michigan)—George V. Agajeenian, formerly of Ontario, appointed president.

Upper Canada Business Administrations (Toronto) — Bert M. Barr, appointed administrative councillor.

W. H. Malkin Co. (Vancouver)—W. G. Sheardown, appointed director; Lyman Kennedy, secretary.

THE INVESTMENT FUNDS

Scudder Fund of Canada Assets Down in Quarter

Scudder Fund of Canada Ltd., U.S.-owned Canadian mutual fund, net asset value per share dipped 0.5% to $12.49 (Canadian) at May 31, 1959, from $12.55 three months earlier. In U.S. funds, net asset value per share was $12.99.

Total net assets were $61,502,522 (Canadian) at the end of May, down 2.1% from $62,809,604 at Feb. 28.

During the quarter the fund added $1 million of Canada treasury bills to its portfolio. One preferred issue was added and holdings in one other were increased.

Three common stocks were added and four liquidated.

Holdings, in nine common stocks were increased, and seven others reduced.

Here are changes for the three months in detail:

	Amount held at May 31/59 ($000)	Change since Feb 28/59 ($000)
Bonds & Notes:		
Can. Treas. Bills, Aug. '59	1,000	+1,000
Preferred:		Shares
Canada Iron Fndr's 4¼%	2,000	+1,000
Massey-Ferguson 3½%	2,300	+2,300
Common:		
Ford of Canada A	11,000	+2,000
Bank of Montreal rights	4,000	+4,000
Farbenfabriken Bayer	5,000	+5,000
Foundation Co. of Canada	36,800	—2,100
St. Gobian Glass	2,000	+2,000
Philips I. Lamp Wks. N.V.	1,312	+62
Unilever N.V.	550	+200
Crown Life Ins.	1,500	—45
Dominion Stores	37,600	—8,400
Steinberg's A	...	—7,400
Aluminium Ltd.	15,000	—100
Falconbridge Nickel	...	—45,000
Geco Mines	...	—11,000
International Nickel	20,000	—10,000
Premium Iron Ores	...	—10,000
Calgary & Edmonton Corp.	60,000	+14,400
Imperial Oil	65,000	+1,000
Royal Dutch Petroleum	25,000	—17,300
Southam Co.	6,000	+575
Can. International Power	46,000	+11,000
Lower St. Lawrence Power	9,950	—5,450
Algoma Steel	30,000	+5,000
Atlas Steel	50,000	+10,000

ONTARIO PLACEMENT CENTRE
OPC
For Executives At All Levels
97 Eglinton E.
Suite 304
Toronto 12, HU. 1-6301

Young Man
25 to 40
with ability to create and design promotional advertising and edit plant publication in small Ontario plant. Reply in writing giving full particulars.
Box 362, The Financial Post, Toronto

ACCOUNTANT
National Sales and Distributor requires young man or woman to head new department controlling advertising and other expenses, also bookkeeping for sales, accounts payable, commissions, etc. Challenging opportunity for one who enjoys working for a perfectionist. Reply giving full particulars as to age, experience, education, starting salary, etc.
Box 344,
The Financial Post, Toronto

GIRL FRIDAY
For sales promotion department of National Sales representatives. Purchasing and control of sales materials. Advertising accruals and a variety of duties associated with merchandising. Typing essential. Reply giving full particulars as to age, experience, starting salary, etc.
BOX 345, The Financial Post, Toronto

GENERAL SUPERINTENDENT
INDUSTRIAL and MUNICIPAL BUILDING CONSTRUCTION
A well-established General Contracting Company with Headquarters in Toronto, requires a General Superintendent for their Industrial and Municipal Building Division. THIS IS A SENIOR APPOINTMENT. Consideration will only be given to applicants with extensive experience in industrial and related construction who can show they have the knowledge and ability to organize and administer the Company's building contracts. Salary is open and will be assessed on experience and ability.
Apply giving full particulars to
Box 351, The Financial Post, Toronto

GENERAL SUPERINTENDENT
MARINE AND CIVIL ENGINEERING CONSTRUCTION
A Toronto based Company, long prominent in the field of Marine and Civil Engineering Construction, requires a General Superintendent. Since this is a SENIOR APPOINTMENT, applications will only be considered which indicate extensive experience, and the knowledge and ability to organize and manage Marine and Civil Engineering Construction Contracts. Salary will be commensurate with qualifications and experience.
Apply giving full particulars to
Box 352, The Financial Post, Toronto

INDUSTRIAL FINISHES SALESMAN
REQUIRED
by an old established manufacturer of Paints and Varnishes
The successful applicant will:
—have considerable technical knowledge of product finishes and material coatings.
—be able to formulate to meet custom requirements.
—have a successful sales record in this field.
—have the potential to progress with the expansion of this new segment of our operation.
—be willing to accept the sales challenge that produces higher income.
Our Sales Staff has been informed of this opportunity. Reply, in strict confidence, giving complete particulars of education, experience, age and marital status to Box 359, The Financial Post, Toronto.

Reach, influence and sell Canada's biggest buyers
When you advertise in The Financial Post, you advertise selectively and effectively. You advertise economically because your message goes where you want it to go . . . without wastage . . . where it counts. You reach, influence and sell Canada's biggest buyers.
The Financial Post
Canada's foremost business newspaper

EXPERIENCED BANKERS
Needed by rapidly expanding California bank ideally situated for educational facilities, community life and climate for outdoor living. Age requirements 30 to 45. College or equivalent educational training. Must have thorough credit and/or lending background and leadership ability. Excellent salary and fringe benefits. Local interviews will be arranged. Will share moving expense. Mail complete resume with recent snapshot to: Box 337, The Financial Post, Toronto. Replies confidential.

APPLICATIONS ARE INVITED FOR THE POSITION OF
CITY ENGINEER
FOR
THE CITY OF LANCASTER
NEW BRUNSWICK
Applicants must be experienced qualified civil engineers.
When submitting applications please give previous experience and salary expected. Applications must be received by July 22, 1959.
D. H. GAREY, CITY CLERK,
CITY OF LANCASTER, N.B.

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

HELP WANTED

GENERAL MANAGER
Aggressive experienced executive required for Toronto Office of finance company with large potential. Age 28-40.
Box 357, The Financial Post, Toronto.

INDUSTRIAL COMMISSIONER
CITY OF LETHBRIDGE, ALBERTA
Population 32,782
Applications will be accepted in the Office of the City Manager, City Hall, Lethbridge, Alberta, for the position of Industrial Commissioner. Applicants are required to supply complete information as to their education, training, experience, age, etc., and a recent photograph must accompany the application.
Salary $5,000.00 to $6,000.00, depending on qualifications.
A. L. H. Somerville
City Manager

LAWYER REQUIRED
Salary Range $6,744 to $7,752 per annum
(Depending on experience)
Solicitor required by the Legal Division of Saskatchewan Power Corporation at Regina, Saskatchewan. Applicants should have at least two years' experience in the practice of law. This position offers a good starting salary and pension benefits. Please direct enquiries and applications to:
Employment Department,
Saskatchewan Power Corporation,
2220-11th Avenue,
Regina, Saskatchewan.

COMPTROLLER: $7,000 - $8,000
Our client, located in Toronto, is a manufacturer of non-durable consumer goods. The company requires a young executive to assume responsibility as Comptroller.
Applicants should be within the 28 to 35 age bracket, and be experienced in Budgets, Standard Costs, Office Management, Credits, Purchasing, Inventory Controls, etc.
Please apply in writing, outlining experience and background in detail. We suggest you make your replies too long, rather than too short. All replies confidential.
WALSH ADVERTISING CO. LIMITED
Carlton Tower, 2 Carlton St., Toronto 2, Ont.
Att. Mr. J. M. Simpson

CHARTERED ACCOUNTANT
The University of Alberta invites applications from chartered accountants holding a university degree for the position of assistant professor in the Department of Accounting at an initial salary of $6,000.00 or higher depending on experience and qualifications, duties to commence September 1, 1959.
Applications stating age, nationality, marital status, other relevant personal information, particulars of qualifications and teaching and other experience including a transcript of academic record, names and addresses of persons to whom references may be made and accompanied by a recent photograph should be forwarded not later than July 31, 1959.
This information should be sent to:
Professor J. D. Campbell
Head, Department of Accounting
University of Alberta
Edmonton, Alberta.

EPS
SUPERVISOR—WAGE AND SALARY ADMINISTRATION
required for a large industrial company.
Candidates must have experience in the above field as well as a knowledge of job evaluation and proven ability in dealing with union representatives. This is an interesting new appointment calling for a good team man.
AGE: 30-40 SALARY: Open
Enquiries invited in confidence—
Applications should give details of experience, age and salary.
Executive Placement Services
A Division of
LEETHAM, SIMPSON LIMITED
Management Consultants 550 Sherbrooke St. W., Montreal

ASSISTANT TREASURER
Starting Salary $7,500 - $8,000
The Job:
This growth opportunity involves immediate responsibilities in the areas of accounting, budgeting, preparation of monthly statements, grant claims, etc. A staff of ten people will report directly to the successful candidate.
Essential pre-requisites are administrative ability, diplomacy and the strength of character to take an affirmative stand at the proper time, in numerous dealings with people whose prime function is educational administration in a denominational atmosphere.
The Man:
A Chartered Accountant, age 30-40, who has acquired several years' experience in treasury accounting or related fields. A sound background in budgeting, some systems experience and if possible thorough familiarity with fund accounting would be highly desirable.
In addition to being technically strong, he should have clarity of expression both orally and in writing to facilitate presentation and explanation of financial statements and budgets to the administrative personnel.
Please reply in strict confidence to
PAYNE-ROSS
LIMITED
management consultants
11 ADELAIDE ST. W., TORONTO

CHEMICAL ENGINEER for technical sales position. Familiarity with corrosion engineering coatings applications desirable. Growth potential is excellent for the man who has the ability to solve corrosion problems with the specialized coatings now available. Company is Canadian owned. Salary open. Send complete resume on training and experience to —
G. F. STERNE AND SONS LIMITED — BRANTFORD, ONTARIO

PLANNING ENGINEER
Applications will be received by the undersigned until Wednesday, July 15th, 1959, for the position of Planning Engineer with the Town of Dartmouth. Applications should state degree held in Engineering or Architecture and should be in writing, submitting complete details of background and experience, salary expected and when available.
C. A. MOIR,
Town Clerk,
P.O. Box 30,
Dartmouth, N.S.

PROFESSIONAL QUALITY CONTROL ENGINEER
Requirements
— University graduate with experience in Statistical Quality Control or experienced Industrial Engineer with an affinity for statistical analysis of manufacturing processes
— Some cost control or method study experience desired
We Offer
— Opportunity with expanding organization
— Profit Sharing and comprehensive group benefits
— This opening is an addition to our personnel
Apply in strictest confidence outlining age, education and background to
Personnel Manager,
Omark Industries Ltd., 165 York Road, Guelph, Ontario

MUNICIPAL SPECIALIST
Our client requires an engineer with superior knowledge and skill in municipal finance and law as it relates to engineering, and also highly competent in public relations. This position should appeal to a man in his late thirties or early forties who is interested in the opportunity provided in terms of scope of work and responsibilities. Remuneration above $12,000 per annum. Applicants must be willing to re-locate.
Please write in strict confidence, quoting Reference Number 263 and giving full particulars of educational and work background, relevant personal data, and areas of demonstrated competence, to:
STEVENSON & KELLOGG, LTD.
Member Association of Consulting Management Engineers, Inc.
810 ROYAL BANK BUILDING, VANCOUVER, B.C.

ACCOUNTANT
A manufacturing firm in the metal industry has an excellent opening for a senior accountant. Applicants should be between 25 and 35 years of age, have C.A., R.I.A. or equivalent and preferably some cost accounting experience.
Salary will be commensurate with qualifications, plus group insurance and pension benefits.
Application should be made by letter giving all pertinent details. Replies to this advertisement will be treated in confidence.
HOUDAILLE INDUSTRIES LTD.
OSHAWA, ONTARIO

STRUCTURAL ENGINEER
Well established Consulting Firm engaged in municipal and industrial engineering in Manitoba requires:
A mature and experienced professional engineer who will undertake full responsibility for the preparation of engineering studies, proposals and development of tender prices for clients. Preference given to applicants having sound experience in bridge projects. Applicants should state in writing degrees in engineering with complete details of background, experience, salary expected and when available.
Replies will be held in strict confidence and should be addressed to:
UNDERWOOD McLELLAN & ASSOCIATES LTD.
208 Silver Heights Shopping Centre, Winnipeg 12, Manitoba

ENGINEERS MATHEMATICIANS PHYSICISTS
with experience in
ELECTRONIC DATA PROCESSING
or
OPERATIONS RESEARCH
Are required to meet the increasing demand for our consulting services in business and scientific activities.
This is a growing organization which provides high-calibre, personalized service to its clients.
High salary levels, together with a profit-sharing plan, ensure an income appropriate to the high standards applied in selecting staff members.
Write or call collect
H. S. GELLMAN & COMPANY LTD.
110 Bloor Street West, Toronto 5 — WAlnut 3-4484

CLASSIFIED ADVERTISEMENTS

CLASSIFIED ADVERTISING RATES

Flat rate, per word 20c
Minimum charge $5.00
Each initial, figure or fraction, abbreviation and sign counts as one word if a box number is desired the words, Box 199 The Financial Post, Toronto, count as six words. When replies are mailed to advertiser, 15 cents extra is charged. Closing date—Copy must be in Toronto office by Monday a.m. Classified advertising is strictly cash in advance

Position Available

ACCOUNTANT WANTED
A LARGE AUTOMOBILE DEALER in Montreal requires the services of an experienced accountant, not necessarily a C.A., to fill the position of Comptroller. Applicant should have a thorough knowledge of general accounting and preferably have spent some time in a C.A.'s office. Reply in confidence to Box 360, The Financial Post, Toronto, stating age, qualifications, salary expected, etc.

Positions Wanted

CHARTERED ACCOUNTANT, Bachelor of Commerce, age 37, pleasant personality, energetic, broad industrial, commercial and taxation experience desires position with industrial or commercial concern. Box 350, The Financial Post, Toronto.

REAL ESTATE

CENTRALLY LOCATED Store and 2 Apartments to lease. Suitable for offices or light manufacturing. Parking facilities and storage space in basement. 420 Spadina Ave., Toronto.

For Sale

VARITYPERS: Model DSJT and A-30. Extra fonts. Excellent condition. Write International Firearms, 1011 Bleury St., Montreal, Que.

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

EMPLOYMENT WANTED

DISPLAY ADVERTISING RATES

$9.80 per col. inch per insertion (70 cents per agate line, 14 lines constitute one inch). Closing date — Copy must be in Toronto Office by Monday a.m. Display advertising in this section payable in advance.

CHIEF ACCOUNTANT-OFFICE MANAGER
Personable and well qualified, backed up with R.I.A. degree. Available to a manufacturer. Fifteen years' experience in Ontario and Three in the U.S.A. Willing to re-locate.
Box 347, The Financial Post, Toronto

EDITORIAL SERVICES AVAILABLE
Experienced writer (magazine, trade press, newspaper) is available on a free-lance basis. Will accept any worthwhile assignment: Publicity — Handbooks — PR — Executive Blogs — Company magazines — Newsletters — Ghost writing. Confidential Service
Box 300, The Financial Post, Toronto

MANUFACTURERS' AGENT
Seeks: To represent Major Line in all or part of Ontario.
Experience: Plastics, Hard Goods, Drugs. Executive planning of sales and marketing at top level.
Assets: 15 years experience, best references, established accounts.
Box 346, The Financial Post, Toronto

CHARTERED ACCOUNTANT AVAILABLE
Age 36, twelve years experience in Public Accounting and three years in Commercial Accounting, desires executive financial position with progressive Financial or Commercial company in Toronto. First class administrator and organizer. Excellent references.
Box 369, The Financial Post, Toronto

MECHANICAL ENGINEER, 33
Assets: Apprenticeship, Degree, Creative Ability.
Experience: Machine Design, Tool Design, Hydraulics, Electrics, Welding, Process Planning, Supervision.
Seeks: challenging position in Toronto with company determined to forge ahead.
Box 342, The Financial Post, Toronto

WANTED —A FUTURE
Aggressive young man (age 26) experienced in various phases of business, interested in joining Sales Department of Progressive Manufacturing Organization. The possibilities of future advancement is a more important consideration to me than immediate remuneration. Excellent references.
Box 349, The Financial Post, Toronto

DO YOUR SALES AND/OR SALESMEN NEED A BOOST?
Young man—married—14 years experience—5 years sales management—top producer—certified sales trainer & motivator— $12,000 bracket for past 6 years—Requires challenging opportunity.
If more production per man is what you require reply Box 356, The Financial Post, Toronto.

MECHANICAL ENGINEER
Background—Production, Plant Engineering, Design & Development. Age 41, Salary range $10,000. Transferred to U.S., wishes to return to Canada for personal reason. Toronto area preferred.
Reply to Box 370, The Financial Post, Toronto

AGGRESSIVE YOUNG MAN SEEKS POSITION WITH RELIABLE, WELL ESTABLISHED FIRM
Young man of excellent appearance with University training in Pharmaceuticals and medicine. Married. Speaking four languages, capable of meeting executives. Would be interested in representing reliable firm in Canada, or would accept a position as Public Relations director or other responsible position. Full references on interview.
Apply P.O. Box 58, Station H, Montreal 25, Canada

'Exports' Boom In Engineering

Right now, more than 300 Canadian engineers are putting their know-how to work in other countries. Here's how our skillpower sales are trending . . .

By RAY MAGLADRY

If you are a professional engineer, be prepared for a foreign assignment.

Canadian engineers in growing numbers are putting their know-how to work outside our borders.

Our lend-lease of skillpower is rising and will likely continue to grow in volume as other countries develop their natural resources.

There are over 300 Canadian professional engineers working on foreign jobs now, probably another 100 or more hopping back and forth between Canada and outside projects.

Behind this activity in personnel, there is an even greater drawing on our skills through purchase of engineering equipment and machines by foreign governments and companies.

"Canadian engineering and engineering product firms have never been more interested in the foreign field than they are right now," a federal government engineering trade expert says.

"The talent and skills represented by this trade are wide and varied," R. A. Frigon of the engineering and equipment division, Federal Department of Trade and Commerce, points out.

In addition to the results of private market development abroad, Canadian firms are working overseas under the Colombo Plan.

One of the biggest jobs:

Construction of the huge Warsak hydro-electric power project in northwest Pakistan.

A sizeable Canadian community has sprung up near the project site. It includes 156 Canadian engineers and technical personnel.

Outside of the Colombo Plan, activity is peppier all around as Canadian engineering firms show more interest in markets abroad.

Engineers are at work in such areas as South America, India, Pakistan, Africa, West Indies Federation, Panama, Egypt, Ceylon, Netherland West Indies, Ireland, Mexico.

The individual engineer does quite well, financially, when he is posted outside Canada.

Many draw bonuses over regular salaries, living allowances, transportation for their families if they are to stay for some time. And they are paid in Canadian dollars.

Remuneration varies with companies and with the circumstances at the site.

"How a Canadian gets along depends on his ability to adjust and adapt to foreign living conditions, business methods, and if he is able to work successfully with local people," an engineer returned from a foreign posting says.

The requirements for the individual engineer's contentment are pretty well those governing personnel policies of firms taking on foreign projects.

"We have to select the personnel with great care — not only to ensure an efficient crew on the site but to avoid friction with the local people and authorities," according to one official of a Canadian firm engaged in work in several different countries.

Overseas jobs on which Canadians work reflect the special fields in which Canada is widely experienced.

Mining and mineral exploration, air surveys of natural resources, newsprint and pulp mills, hydro-electric development and power conversion, tourist resorts and hotel construction.

Under the Colombo Plan; Canadian talent helps bring progress to underdeveloped nations, such as work on the Warsak hydro development in Pakistan.

The project is being undertaken by engineers of **H. G. Acres & Co.,** a consulting engineering firm of Niagara Falls, Ont.

In addition to more than 150 Canadian engineers and technical personnel on the job, there are also over 10,000 tribesmen working.

The Colombo Plan plus increasing interest and success in normal trade seem to ensure that Canadian engineers will be hopping abroad in larger numbers in the future.

Here are some typical Canadian jobs outside the country:

Canadian Comstock Co. — experienced in power conversion in Ontario for past several years — is working on a major electrical job on the Panama Canal.

Comstock won the contract from U. S. Army against half a dozen big bidders.

It is carrying out modification of the Canal's electrical system and converting power to 60 cycles.

Other electrical and mechanical engineering work is underway in other countries by the company.

In terms of personnel, the average job means sending a team of five to a dozen Canadians with families to live on site.

Before the contract is won, a small crew of engineers travels abroad to study the proposed project so that a bid may be made.

A big Canadian organization active around the world is **Stadler, Hurter International, Ltd.** of Montreal.

Engineers from this firm are retained for a big new pulp mill in Tunisia, for a state-owned pulp development in Egypt, and many others.

Saddwell International of Vancouver also ranges the world on engineering jobs that have included a $12 million newsprint mill in Mexico, consultants on a paper mill in Pakistan.

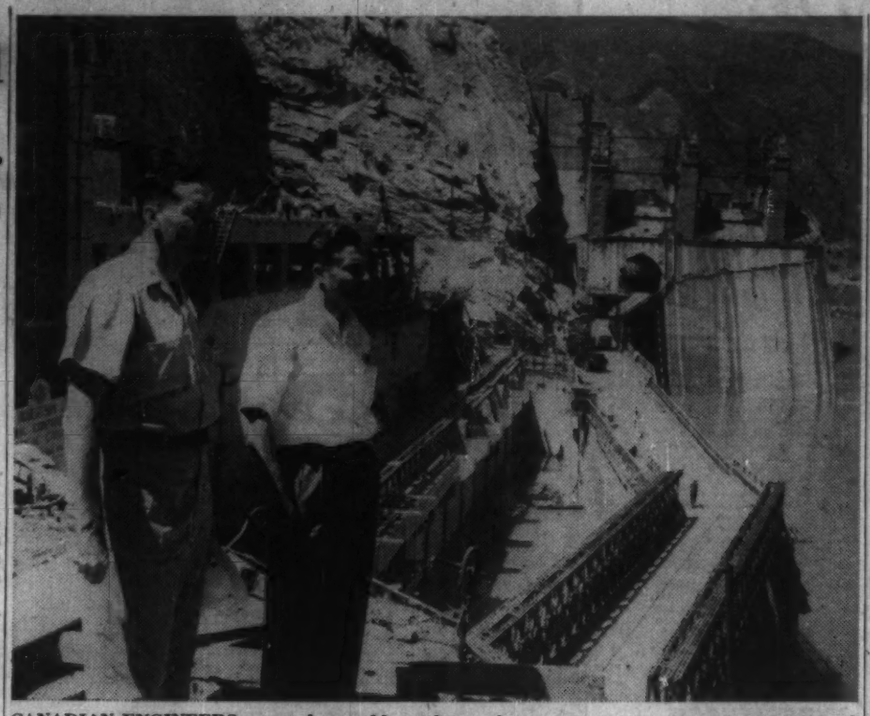
Because of the mobility of engineers on such work it is difficult to estimate the numbers that are abroad at any one time.

However, the Assocaition of Professional Engineers of Ontario reports over 250 of its members are posted overseas now.

Besides such postings and periodic travel to jobs underway or proposed, there is a growing activity by Canadian engineers in the U. S., mostly by smaller consulting firms.

One of the most active is **A. M. Lount and Associates** of Toronto which specializes in writing programs for electronic computer systems and does straight engineering design work as well.

A six-man team of engineers was in Georgia recently. A great deal of Lount's work is concentrated in southern states. clude:



CANADIAN ENGINEERS roam the world to plan and supervise major natural resource and industrial projects. Here, two Canadians look over part of huge Warsak hydro development in Pakistan, undertaken by H. G. Acres & Co. of Niagara Falls.

You Will Need Your Pink Card To Drive West

From Our Own Correspondent

WINNIPEG — The pink card issued by insurance companies to Manitoba motorists with public liability protection has been recognized in Saskatchewan under agreement between the two governments.

Similar agreements were concluded last year with Alberta and British Columbia.

For Manitoba motorists traveling anywhere between the Ontario boundary and Vancouver Island the pink card will now be accepted as financial ability to cover accident liability.

Motorists from the three western provinces are similarly protected while driving in Manitoba.

Having a pink card prevents their car being impounded after an accident.

Under Manitoba's highway law all cars were impounded if involved in accident irrespective of who was to blame unless the motorist could produce evidence of financial responsibility.

Similar reciprocal agreements have been made with several U. S. states.

Last year insurance companies issued 225,000 cards to motorists resident in other states and provinces for travel in Manitoba.

No such agreement exists with Ontario.

Bank of Commerce Makes Promotions

A. D. BROOMFIELD, assistant accountant, Picton, Ont., to be accountant, Picton, Ont.

G. C. DELGATY, an assistant manager, Winnipeg, to be manager of the newly opened branch at Polo Park, 1485 Portage Ave., Winnipeg.

R. M. DICKSON, accountant, Fort Erie, Ont., to be manager, Woodville, Ont.

A. N. DURHAM, accountant, Bagot & Brock, Kingston, Ont., to be manager, Bloor & Dufferin, Toronto.

K. J. FARRELL, to be accountant, Eastview, Ont.

N. M. GAETZ, formerly accountant, Eighth Avenue West & Fifth Street, Calgary, to be assistant manager.

G. C. HULL, manager, University Blvd., Vancouver, to be manager of the branch to be opened on July 2 at Cambie & 41st, Vancouver.

W. HULL, assistant manager, Dawson Creek, B.C., to be assistant manager, Centre Street & Eighth Avenue West, Calgary.

E. W. HUTCHISON (Miss), to be assistant accountant, Kingsway & Knight Road, Vancouver.

J. F. KING, to be assistant accountant, Humboldt, Sask.

A. G. LAING, accountant, Victory Square, Vancouver, to be assistant manager, Victory Square, Vancouver.

C. E. McCRACKEN, assistant accountant, Orangeville, Ont., to be accountant, Orangeville.

R. J. McKINNON, accountant, Whitby, Ont., to be manager of the branch opened June 24, at George & Rink, Peterborough, Ont.

W. R. MUTCH, an assistant inspector Head Office, to be an inspector, Head Office, Toronto.

N. E. PHILPS, accountant, Scarborough Bluffs, Ont., to be accountant, Bagot & Brock, Kingston, Ont.

J. G. PORTER, manager, Parkhill, Ont., to be manager, Port Parry, Ont.

A. W. REID, to be assistant accountant, Orangeville, Ont.

W. ST. PIERCE, assistant manager, Belleville, Ont., to be manager, Parkhill, Ont.

J. D. SCOTT, assistant accountant, Brandon, Man., to be an assistant accountant, Portage & Hargrave, Winnipeg.

D. M. SHUTTER, assistant accountant, Humboldt, Sask., to be accountant, Biggar, Sask.

K. L. SUMNER, to be assistant manager, Eighth Avenue & Fifth Street, Calgary.

J. R. SWANTON, to be assistant accountant, Brandon, Man.

E. R. VAUGHAN, to be an assistant accountant, Toronto.

Greenshields & Co Inc

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THE INTERCOM WITH "BUILT-IN COURTESY"

All calls are announced by soft chime and signal light. Conversation is private and confidential, yet you can reply from across the room, if you wish. For complete information about this smooth, efficient system—

Call or Write
EXECUTONE COMMUNICATION SYSTEMS LIMITED
331 Bartlett Avenue, Toronto 4
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National Sales and Service

See Our Exhibit at the Canadian National Business Show

A NEW MILD PIPE TOBACCO

Brahadi's

"PERFECT MILDNESS IN YOUR PIPE"

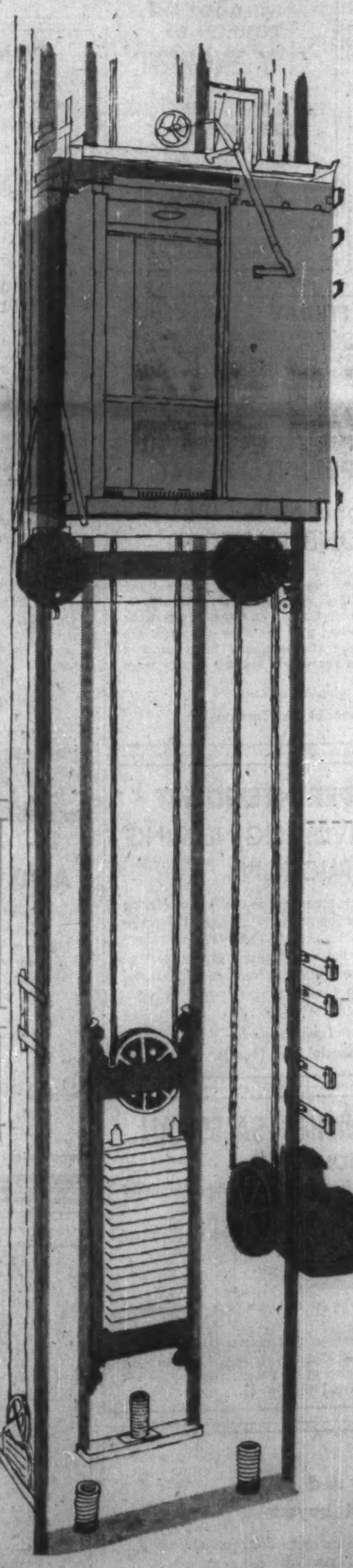
Brahadi's smoking tobacco is a special "Cavendish" blend of Mild tobaccos. Comfortably satisfying . . . a mild smoking tobacco with a delightful aroma. Brahadi's is available at select tobacco stores.

50¢ for 2 ounces

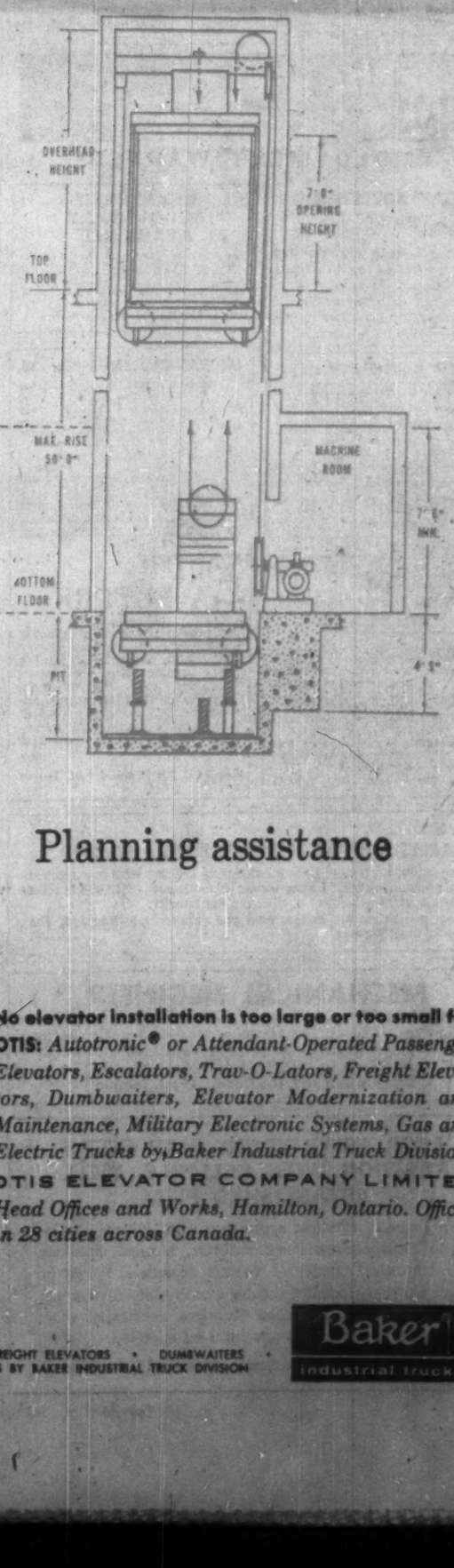
Suggested Price. Plus provincial tax where applicable.

Outstanding value has made OTIS the accepted word for elevator quality in Canada and throughout the world.

Otis



Underslung passenger elevators



Planning assistance

No elevator installation is too large or too small for OTIS: *Autotronic® or Attendant-Operated Passenger Elevators, Escalators, Trav-O-Lators, Freight Elevators, Dumbwaiters, Elevator Modernization and Maintenance, Military Electronic Systems, Gas and Electric Trucks by Baker Industrial Truck Division.*

OTIS ELEVATOR COMPANY LIMITED
Head Offices and Works, Hamilton, Ontario. Offices in 28 cities across Canada.

AUTOTRONIC® OR ATTENDANT-OPERATED PASSENGER ELEVATORS • ESCALATORS • TRAV-O-LATORS • FREIGHT ELEVATORS • DUMBWAITERS • ELEVATOR MODERNIZATION & MAINTENANCE • MILITARY ELECTRONIC SYSTEMS • GAS & ELECTRIC TRUCKS BY BAKER INDUSTRIAL TRUCK DIVISION

Baker industrial trucks

The Financial Post

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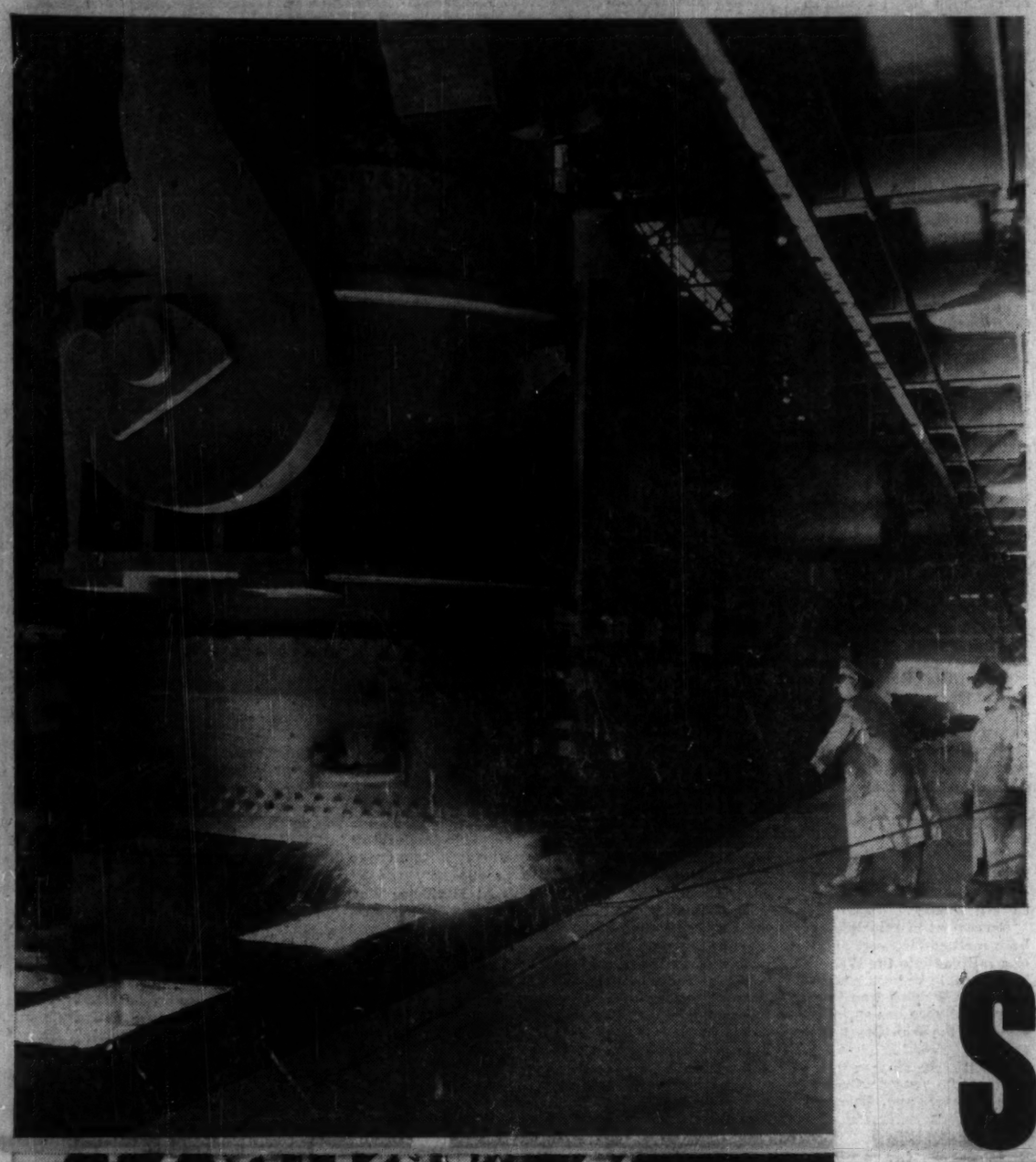
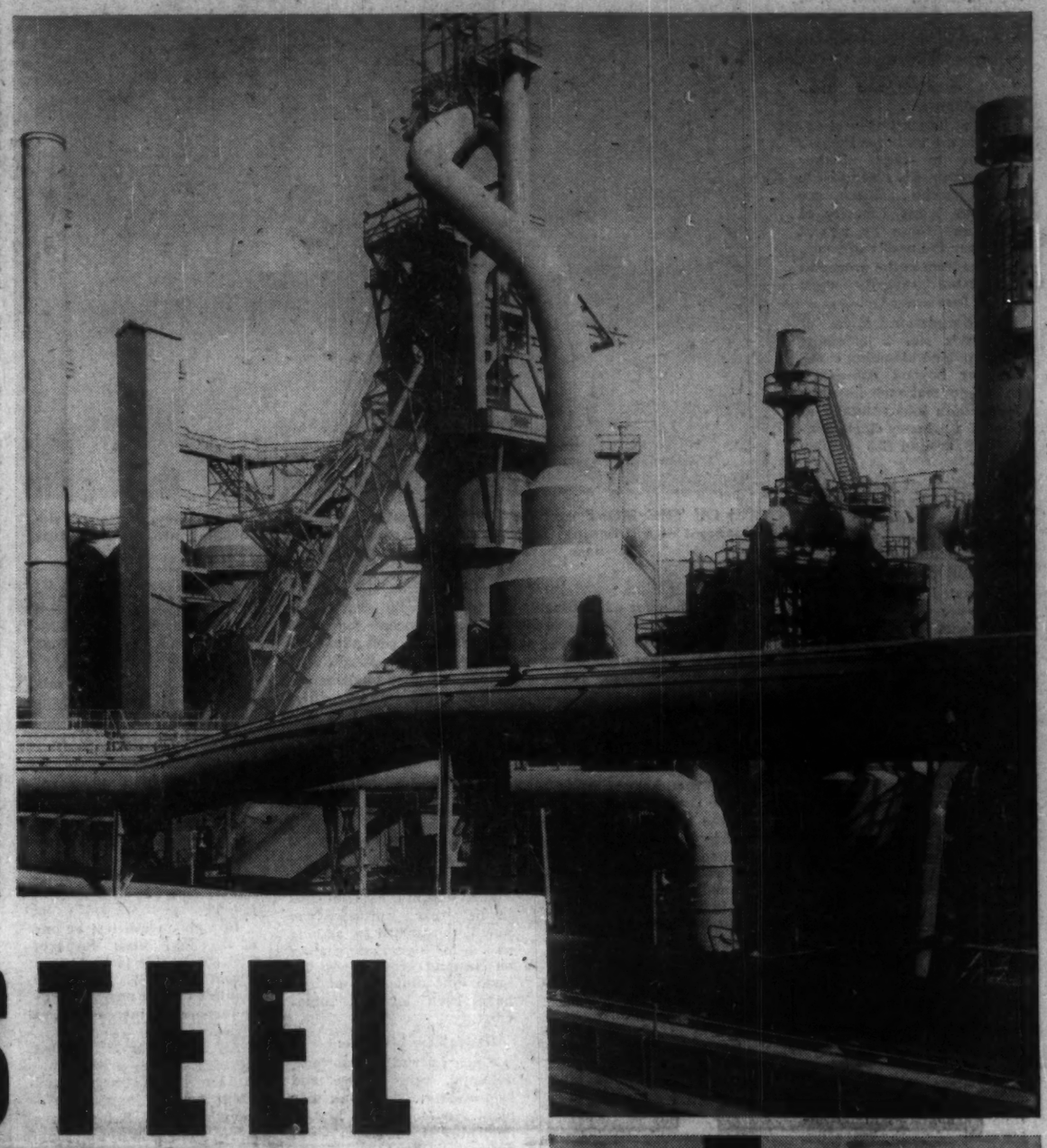




STEEL

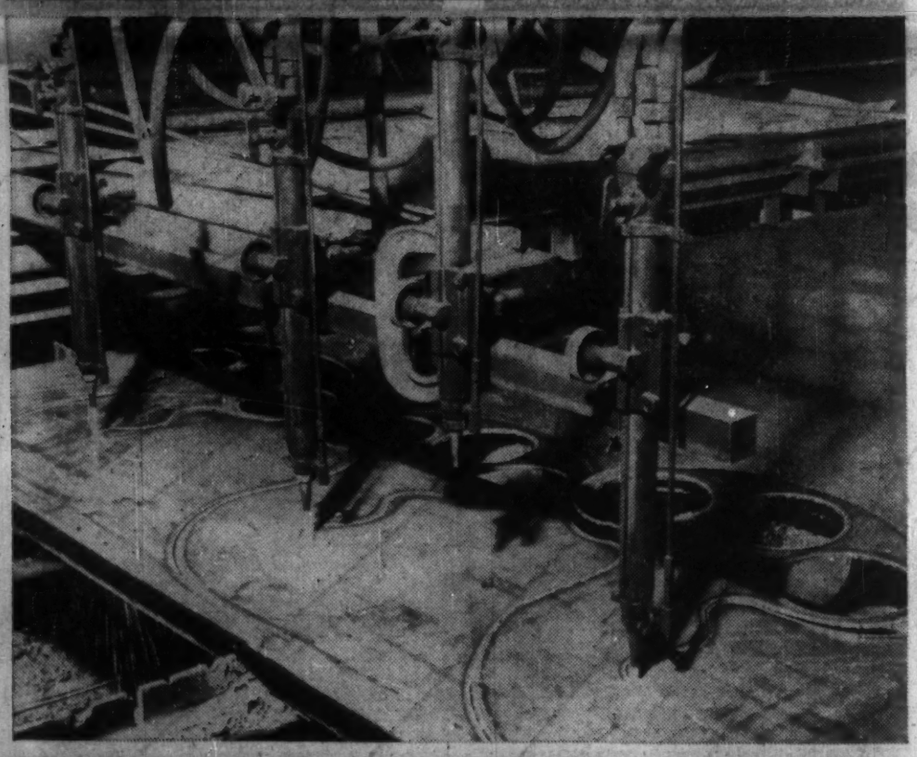
A FEATURE REPORT

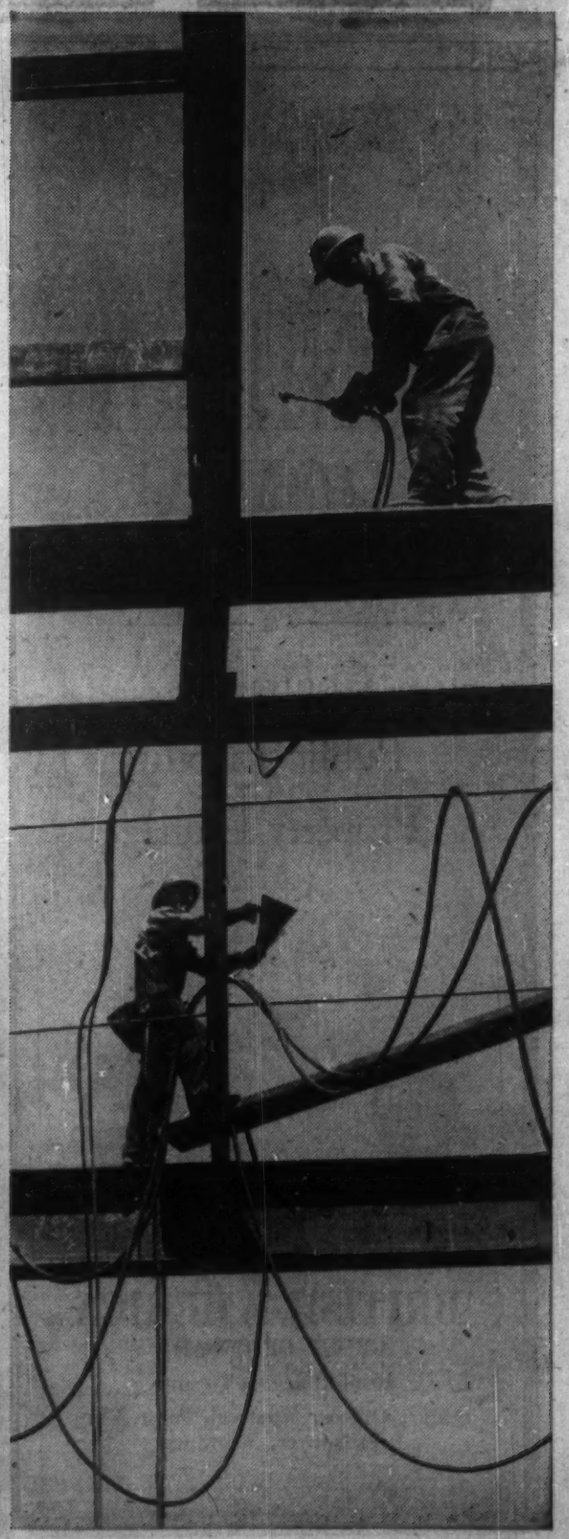
Steel remains the backbone of a nation's industrial strength.

And to keep that strength, Canada's steel industry has launched a major capital expenditure program to build for future demand. Existing equipment is being improved, new methods of feeding the furnaces and new forms of raw material are being introduced. Beneficiated ore is in growing demand and direct reduction and new iron-making processes offer exciting possibilities.

Manufacturing, construction and transportation are making increasingly heavy demands on steel; gas and oil pipelines continue to open new fields.

Ahead for the industry: vigorous growth, exciting new developments, greater flexibility and a wider range of products. Here is a special FP report on this key industry.





Stelco Tests New Sinter Process

There have been two major developments recently in the rapidly expanding growth story of Canada's biggest steel producer — **Steel Co. of Canada.**

- **Another major expansion** in steel-making capacity.
- **An exciting new iron-making process.**

Recent forecast of steel demand is the basis for Stelco's decision to take another major expansion step in basic steel - making. Plans are afoot to boost capacity of Hamilton Works by almost 25% over the next two years.

Major item in the program: a 300-ton capacity open hearth furnace.

The completion last year of company's No. 2 blooming mill provided blooming capacity far beyond company's ability to make steel—some five million tons annually as against a primary steel capacity of around 2.3 million tons.

It's estimated that the new furnace, combined with the improved performance of existing furnaces, will raise Stelco's annual ingot capacity to 2.9 million tons a year.

Estimated capital expenditures over the next two or three years for the new program, including various auxiliary steps, and projects already approved as at end of 1958, are approximately $80 million.

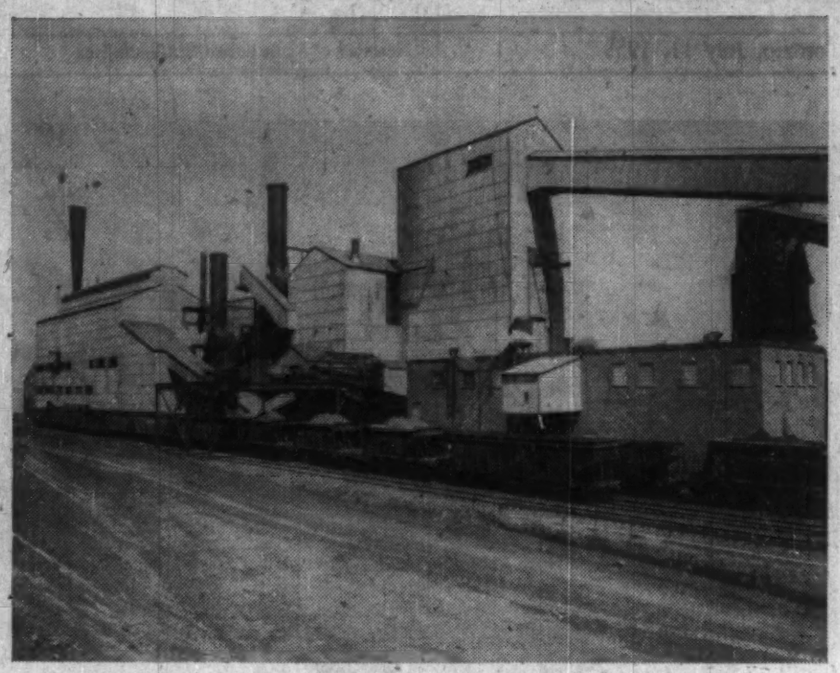
No new financing is planned for the expansion program.

Stelco's postwar expansion program has been virtually a continuous one and is likely to be maintained even after completion of the recently announced program.

In the last 10 years the company has spent approximately $200 million on expansion and modernization and in that period virtually doubled steel-making capacity and greatly broadened the range of finished products turned out.

In an integrated steel operation, growth is uneven.

Steel-making capacity, for instance, must be balanced in time by increases in blooming mill and finished capacity.



ONE OF THE MOST exciting developments in the steel making industry, is Stelco's development of self-fluxing sinter. Processed items from this plant, fed into the blast furnace, have increased iron output as much as 90%.

At the same time provision must be made for expanding supplies of all the basic raw materials — iron ore, coke, limestone; expanded docks, storage yards, bigger coke-oven and iron making facilities. Rarely are all the separate operations of such an integrated complex in true balance.

But it would have been impossible for Stelco to push on with the recently announced boost in steel-making capacity had there not already been some major jump in iron-making capacity. This is an important story in itself and Stelco is justly proud of the part it played in developing an all-important new technique in this field.

The basic details of the new process were unveiled to the world in a recent paper read to the American Iron & Steel Institute at New York by J. S. McMahan, superintendent, Blast Furnaces, Steel Co. of Canada.

The paper highlighted the development of self-fluxing sinter—a revolutionary new feed-mix process for blast furnaces. By partially processing the conventional feed items in a sinter plant before they are fed into the blast furnace iron output has been boosted as much as 90%.

This process has been extensively tested by Stelco over a six-month period and there is little doubt now that this is one of the most important technological advances in steel-making in the postwar period.

Heavy capital expenditures in new blast furnaces can now be postponed for as long as five to 10 years depending on demand growth. At the same time unit costs of iron have been lowered somewhat.

Here's how it's done:

Finely divided limestone, dolomite, coke breeze and iron ore are fed into a sinter plant. In the process heat is applied and the result is a porous clinker with all the products merged. Actually the limestone and dolomite have been calcined (carbon dioxide driven off). Previously this process took place in the blast furnace.

By concentrating the mix elements into one product the melting point of the product has been lowered. This in turn means less coke has to be charged to the furnace, also the workable furnace volume has been improved. In the old system where natural ore was used it took 92 ft. of material to produce one ton of pig iron. Now with the self-fluxing sinter it takes only 72 ft.

In a six-month test on one of its four blast furnaces Stelco was able to boost iron output by 62%. In a one month's test on another larger furnace the increase got as high as 90%.

A Stelco team started working on the process late in 1955 — metallurgists and blast furnace experts. Although a few U. S. firms have been looking into the same process Stelco is the first on the continent to successfully make and use the self-fluxing sinter.

A number of other steel firms are still counting on ore beneficiation to accomplish roughly the same thing—boost iron output from same blast furnace facilities.

It looks as if many integrated steel producers will end up making use of both processes. Certain blast furnaces might be given over to self-fluxing sinter, others to beneficiated ore.

Decision for wide-scale adoption of the new self-fluxing sinter techniques in iron production could influence Stelco's ore requirements.

Under extensive study at the moment are concentration processes for the big Wabush Lake ores in Labrador.

These ores are figuring importantly in Stelco's long-term plans. They are beneficiating type ores and are made up of both hematite and magnetite ores.

If concentrated into a high iron content pellet there isn't the same desire, to process this into self-fluxing sinter since it has to be ground into a fine form first. It is an attractively high iron product to start with. There is a possibility, of course, that a self-fluxing pellet will be developed in time.

Stelco has worked itself into a fairly good raw material position. Company now has sufficient reserves of iron ore, coal and limestone for present needs, and, by way of options and leases, has access to very large deposits of ore which should satisfy requirements for a great many years.

Company has a substantial interest in proven deposits of ore in Labrador and northeastern Quebec.

Agreement in principle has been reached for construction of a railroad into the Wabush Lake area, to be built and operated by **Wabush Iron Co.**—in which Stelco has an interest—and the **Iron Ore Co. of Canada.**

It will serve an area to the west of the present **Quebec, North Shore and Labrador Railway** with which it will be connected.

Stelco is now receiving regular shipments of iron ore pellets from the big **Erie Mining** project in Minnesota. The mine has a rated annual capacity of 7.5 million tons of high-grade iron pellets. Stelco has a 10% interest in this operation.

Company received first regular shipments of high-grade iron pellets from the **Hilton Mines** near Shawville, Que. last year. This mine is now operating at virtual capacity with an estimated life of around 15 yr.

Last year all of the production facilities in company's $70 million expansion program (begun three years ago) came into use except the second electrolytic tinning line, which is being completed this year.

The principal addition was the No. 2 blooming mill representing an investment of nearly $25 million. It is being used to roll slabs for the plate and strip mills, leaving the No. 1 blooming mill available for rolling of blooms and billets for the rod and bar mills.

Other new units — the reversing cold sheet mill, the sheet temper mill, the second continuous pickling line, additional annealing units, and the second electrolytic tinning line—represent a significant increase in manufacturing capacity for cold rolled sheets and tin plate in both coils and sheared lengths.

To meet the growing demand for steel bars the 12-in. bar mill at Hamilton Works is to be extensively altered and re-equipped. Capacity will be increased about 50%. Now in the engineering stage, the project should be completed in 1960.

The new metallurgical and chemical laboratory, opened in May, 1958, is equipped with the most advanced scientific devices for the accurate testing of steel through all stages from ore to finished product.

At McMaster Works, Contrecoeur, Que., steelwork is being erected for the new continuous buttweld pipe mill. Designed to manufacture high-quality pipe in the ⅜-in. to 4-in. diameter range, this modern mill is expected to be in operation late this year.

Company just recently announced plans for installation of a continuous galvanizing and aluminized-coating line at its Hamilton Works.

The expanding Canadian economy is said to be creating greater demand for light and heavy galvanized sheets for such end uses as culverts, railway car roofs, sheeting and siding, air-conditioning, heating and structural decking. It is expected the new line will come into production before end of next year.

Stelco's operating rate for the first half of this year has been good. Conditions are enabling company to take advantage of expanded and modernized production facilities. Industry operating level is still holding at a high rate of capacity—around 90%.

The two summer vacation months of July and August always brings a slow-down in operating tempo. A number of factors — including a possible U. S. steel strike will have influence on steel demand in the early fall.

Overseas imports of steel in a variety of made-up forms has been at a high level this spring. Attractively low prices — particularly from West European producers—and completion of the Seaway sharply increased competition from this source.

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See Big Build-up In Ore Production

A multi-million dollar build-up in iron ore production capacity is slated for the Quebec Labrador area in the next few years.

In fact, the area may well become one of the world's foremost iron ore mining camps with an annual output of ore and concentrates in excess of 30 million tons.

That's almost twice total Canadian iron ore shipments in 1958 and compares with the record 22.3 million tons shipped from all Canada in 1957.

Expansion projects include:

- **Iron Ore Co. of Canada,** Quebec's biggest producer, is developing a low-grade iron ore deposit at Carol Lake in Wabush area. Annual shipments of six million tons of iron ore concentrates are expected to start in 1962-63.

The firm is already producing 12 million to 13 million tons of direct shipping ore per year from its Schefferville deposits.

- **Scheduled to come into production in 1961 is Quebec Cartier Mining Co.'s Mt. Wright project.** Capacity will be eight million tons of concentrates per year.
- **In the planning stage** is development by **Wabush Iron Co.** of low-grade iron deposits, in the Wabush Lake area leased from **Canadian Javelin Ltd.** If proceeded with, this project could add a further five million tons of concentrates to Quebec-Labrador output.

Far to the north on the shores of Ungava Bay, two companies are thinking seriously of bringing vast deposits of beneficiating ore into production.

They are **Ungava Iron Ores Ltd.,** representing the Cyrus Eaton-Alfred Krupp interests and **Oceanic Iron Ores Ltd.,** controlled by **Rio Tinto.**

If these two projects materialize, they would add a further 10 million tons per year to the Quebec-Labrador output total.

Though most of the production from these far north projects would likely be marketed in Europe, some might be sold to Canadian or U. S. mills.

Of key concern in the expansion of these iron ore projects is the St. Lawrence Seaway, opening a deep-water passage to the steel mill complex in Central Canada and U. S.

IOCO, for instance, is scheduling upwards of four million tons of ore through the Seaway. This is roughly one-third of company's total estimated shipments for 1959 and compares with a maximum of just over two million tons shipped through the old canal system in earlier years.

Most of the Quebec-Labrador ore destined for inland U. S. mills not shipped through the Seaway is moved by bulk carrier from the St. Lawrence along the Atlantic seaboard to Philadelphia and Baltimore and inland by rail.

A smaller amount is shipped from the Montreal area direct to U. S. mills by rail.

Dom. Steel's New Shop In Operation

Dominion Steel & Coal Corp., opened a new $750,000 machine shop at its Sydney Steel Works during June.

Providing 40,000 sq. ft. of space under one roof, the shop is of modern one-story design and houses a variety of mechanical repair equipment needed to service a basic steel and semi-finishing operation of the size of Sydney Works.

The shop was completed and put into use without interference to the normal operations of the plant and without a single lost time accident to a Dosco employee.

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Watch for Big Spending as Demand for Steel Grows

Increased plant costs leads industry to improve on present equipment

By R. L. CAVANAGH
Director, Department of Engineering & Metallurgy
Ontario Research Foundation

Since World War II, the iron and steel industry has experienced a continuing expansion involving large capital expenditures.

The future demand for steel is growing and, to meet this demand, expansion of steel capacity required will involve additional large capital expenditures.

The industry faces a rising capital equipment cost which has multiplied by three times at least, since before the war.

The problem of increased cost for plant leads the industry to concentrate strongly on the improvement of the output of present equipment. Blast furnaces are the heart of the steel industry and tonnage equipment of iron from existing furnaces can be increased by improving the raw materials charged.

Higher grade blast furnace feed is being sought in the form of sinter and iron ore pellets.

The use of sinter and self-fluxing sinter is receiving the greatest impetus.

Self-fluxing sinter is sinter in which the necessary flux is added before sintering. This means that the sinter when processed in the blast furnace requires no separate flux addition for proper slagging. While the benefits of ordinary sinter are very worthwhile, the use of self-fluxing sinter offers considerable improvement in blast furnace output over and above this.

The Steel Co. of Canada has been running blast furnace tests on self-flux sinter since 1956 and recent tests report output increases of over 40%. It is expected that this can be improved upon. As an example of the great interest in the use of sinter for blast furnace burdens, 20 million tons of new sintering capacity was installed in the U. S. in 1958 and additional large installations are on the way in 1959.

Use of sinter burdens has been in practice at Domnarvet, Sweden, for many years with excellent results. In recent years, furnaces have been run there on self-fluxing sinter with additional increase in output. Burdens of 100% self-fluxing sinter have been proved in practice highly successful.

These ideas have been adopted by the Russian steel industry in the last several years and sinter and self-fluxing sinter are used on a large scale in Russia.

It has been shown that this practice improves blast furnace output and North American operators are quickly taking advantage of the benefits to be gained, with emphasis now on additional use of self-fluxing sinter.

North American reserves of high grade charge ore are diminishing. Simultaneously, beneficiated ore is in growing demand, due to increased blast furnace output through its use, and this situation strongly affects the development of Canadian iron ore deposits.

Large tonnage gravity cleaning plants were installed in 1958 by **Steep Rock Iron Mines,** to upgrade charge ore to meet the demand for higher grade ore by their customers.

Numerous deposits of low grade concentrating grade ores are being developed rapidly on a large scale.

The greatest drive behind this latter development comes from the U. S. steel companies whose dependence on Canadian ore sources is increasing. U. S. interests are committed to large expenditures for the development of concentrating grade ore deposits in Canada.

For example, three major companies, **Cartier Mining, Ungava Iron Ores** and **Iron Ore Co. of Canada** may spend in the vicinity of $700 million in the Quebec-Labrador area in the next five years for the development of holdings there.

Due to the advances in the techniques of beneficiating low grade iron ores and the huge abundance of such ores in Canada, the potential for the development and sale of Canadian ore is extremely good.

Estimates have been made that by 1980 the Canadian steel industry will use 13 million tons per year of iron ore, the U. S. will import 80 million tons a year and, combined with other probable markets, the possible total could readily be 120 million tons per year for Canadian ore.

Direct reduction processes have been receiving serious consideration from the steel industry in the last few years due to the industry-wide problem of the high cost of expanding capacity.

This interest has greatly speeded development of new direct reduction processes, some of which have now reached the stage of commercial application.

The interesting points about these direct reduction processes are that ore fines and lower grade ores are usable in several processes. Metallurgical grade coke is not required and capital cost appears to be relatively low, about $60 per ton.

Operating costs appear to be in the range of $40-$50 per ton in North America. These costs are general and location, ore grade, material costs, etc., will influence them.

Some possible applications of direct reduction processes by the iron and steel industry:

- **Production of low carbon, low residual,** sponge iron melting stock for electric and open hearth furnaces.
- **Processing of flue dust and ore fines** which must now be sintered for blast furnace use.
- **Production of molten pig iron for oxygen steelmaking.**
- **Processing complex ores** not directly usable in the blast furnace. The Strategic-Udy Process accomplishes this by selective reduction.
- **To produce and ship a melting stock** instead of ore at or near a mine site.

It does not appear at present that direct reduction methods can replace the very efficient blast furnace for large tonnage iron production, particularly in view of the great strides being made in increasing output of existing blast furnaces.

However, direct reduction methods offer potential for a combination with integrated steel plants to increase overall efficiency and improve costs. Also in special locations, a small steel-making operation could be built around a direct reduction process where a blast furnace would be impractical due to cost.

Important recent projects in the iron and steel industry in Canada:

Steel Co. of Canada: Installing a new pipe mill at Contrecoeur, Que., to operate in 1959. Second electrolytic tinning line ready to go into operation. Planning in direction of increasing coke oven, B.F. and O.H. facilities to meet new blooming mill capacity doubled with start of No. 2 mill in 1958.

A second continuous galvanizing line has been authorized.

Algoma Steel Corp: Two oxygen converters started up in 1959. Also completed combined blooming and wide plate mill in 1959. **Avro** recently sold last share interests in Algoma. Algoma on the way to completing large scale improvement program to bring steel production and finishing capacity up to 1.6 million tons per year. Announce building of wide flange $15 million beam mill, the first of its kind in Canada.

Dofasco: Increase of 75% in oxygen production capacity part of current expansion program to increase ingot tonnage to one million by fall of 1959.

Present hot and cold rolling facilities to be enlarged to keep balance between primary and finishing capacity.

Dosco: At Sydney, N.S., a new rail finishing mill in 1958. At Contrecoeur: to build new rolling mills and integrated steel works.

Atlas: Installed second Snedzimir cold reduction mill for rolling thin gauge stainless strip.

Sorel Industries: Stock purchase by **Crucible Steel Co. of America** brings new steel producer to Quebec.

Cominco: A steel plant, capacity 36,500 plus tons pig/year to be set up to use tailings from Sullivan concentrator, Kimberley, B.C. Operation will be sintering plus electric smelting.

Quebec South Shore Steel Corp: Setting up $12 million plant at Varennes, Que., capacity 300 tons per day by Strategic-Udy process. Ore from **Hull Iron Mines,** 40%-50% Fe content. First commercial installation of this direct reduction process. To make pig iron, semi-steel and reinforcing bar. Production by 1961.

Interprovincial Steel Corp: Will erect a steel plant in Regina. Product of new mill will be plates and skelp. The company will be associated with the tube mill now in operation there.

A technological revolution has taken place in the iron and steel industry due to pressure for increased capacity at lower cost. This has created new methods and ideas which are being applied to all phases of iron and steelmaking.

As a result of this, the main future trends of progress in the iron and steel industry in North America appear to be:

- **Increased blast furnace output** per existing unit through beneficiation of raw materials, with growing emphasis on self-fluxing sinter.
- **Additional increase in output** through use of oxygen enriched blast, hotter blast, increased blast moisture and higher top pressures.
- **Open hearth output will increase** through use of more oxygen for flame enrichment and rooflance refining combined with new basic roof construction to withstand more severe service resulting from increased oxygen use.
- **More installation of top blown oxygen converters** for steel making.
- **Automation for rolling mill,** blast furnace and sintering operations.
- **Use of direct reduction processes** in advantageous locations.

Direct Reduction Processes

Process	Origin	Equipment	Reducing Agent	Product	Status
Strategic-Udy	U. S.	Rotary kiln and electric furnace	Coal or coke	Molten pig iron, semi-steel	Semi-commercial
R-N, Republic National Lead	U. S.	Rotary kiln	Coal or coke	Sponge iron	Semi-commercial
Hyl, Hojalata y Lamina	Mexico	Stationary bed	Natural gas reformed	Sponge iron	Commercial
H-Iron	U. S.	Fluidized bed	Hydrogen	Sponge iron	Semi-commercial
Esso-Little	U. S.	Fluidized bed	Natural gas reformed	Sponge iron	Pilot
Nu-Iron	U. S.	Fluidized bed	Carbon monoxide and hydrogen	Sponge iron	Pilot
Domnarvet	Sweden	Rotary furnace	Coal or coke	Sponge iron	Experimental
de Sy	Belgium	Induction furnace	Coal	Molten pig iron, steel	Experimental
Cyclosteel	U. K.	Special furnace	Coal and oxygen	Molten pig iron	Experimental
Jet Smelter	Canada	Special furnace	Natural gas and oxygen	Molten pig iron	Experimental
Direct Steel	Canada	Strip furnace	carbon monoxide and hydrogen	Steel sheet	Pilot

New $5 Million Lab For Republic Steel

Republic Steel Corp., Cleveland, O., opened a $5 million research centre in Cleveland recently. New centre is located on a 106-acre tract of land in Independence, a Cleveland suburb.

The laboratory, said chairman C. M. White, would enable the company to keep abreast of the changing needs of its customers and represents a way of improving its processes and products so that it can continue to show a profit in this highly competitive industry.

Budgets and schedules set up for the centre, he said, call for a "30-30-30-10" formula.

About 30% of the budget will be applied to research projects designed to show results in one to three years. Another 30% will be applied to exploratory projects keyed to a five-year schedule. Still another 30% will be allocated for long-range study projects that may run 10 years or more before paying off.

Ten percent of the budget goes for pure science—fundamental research projects which have no immediate application but which are expected to produce knowledge which will be useful at some later date.

Work now being undertaken in the laboratories is divided into four areas: metallurgical, processing, new products and ceramics.

Divisions of work aren't hard and fast, said White. The company wants to achieve maximum flexibility and co-operation within and between the various groups.

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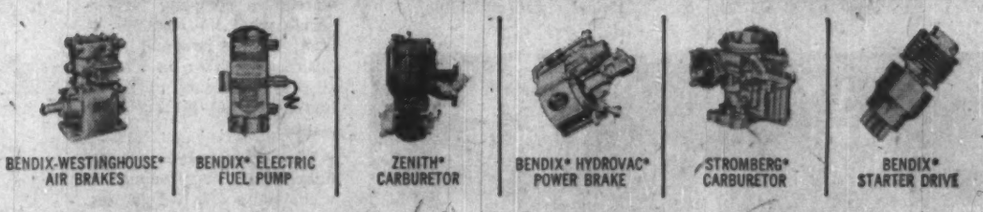
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Pipe Industry

Ponders Gas and Oil Policy

Steel pipe manufacturers in Canada are "thinking big".

Despite the shutdown of a major plant for lack of work, the pipe firms have launched multi-million dollar expansion programs in anticipation of better future markets.

The team of **Page-Hersey Tubes Ltd.** and **Steel Co. of Canada** expect shortly to purchase land for a $10 million pipe mill at Edmonton.

Results are awaited from soil tests at two sites under option.

Equipment for the mill, capable of producing pipe from 16-in. to 42-in. outside diameter, has already been ordered.

If there are orders available, partial production could start in December and full production by this time next year, W. E. Bannerman, president of Page-Hersey, says.

This expansion is going ahead despite the shutdown of the Page-Hersey-Stelco "big inch" steel pipe plant of **Welland Tubes Ltd.** at Welland putting 300 men out of work.

Asked why the expansion program was being continued under these circumstances, Bannerman replied:

"We are more concerned with being too late with this expansion than too early."

"The horizon's the limit" as far as the future market for steel piping, he said.

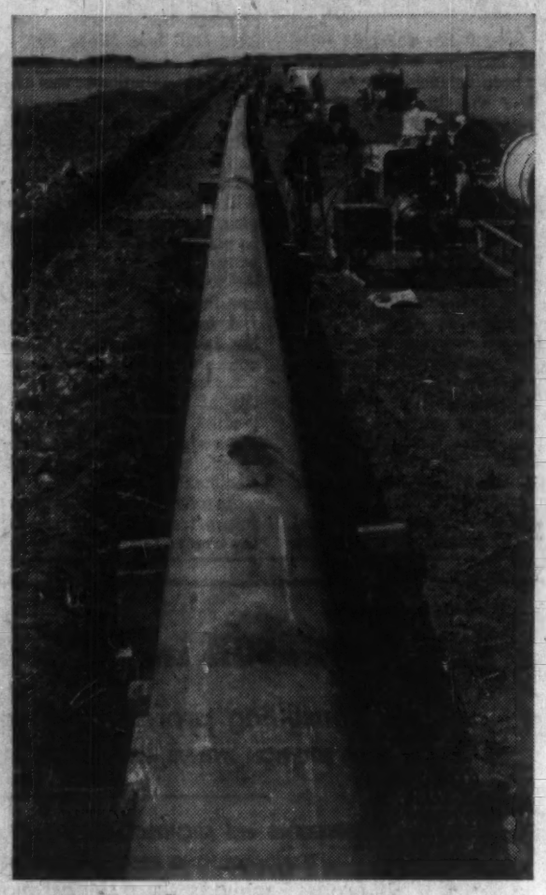
However, the immediate future is clouded by the lack of a clear pronouncement of government policy in the energy field.

In the field of piping supplies for plumbing, heating, mining and general purposes, business is "satisfactory to good" and ahead of last year.

In the field of gas and oil piping, business is poor, he said.

"There are plenty of projects on the planning board, but few, if any, are going to go ahead until the government makes known what its policy is going to be."

Those in the natural gas business don't know yet what the government's idea of a "fair return" on investment is, and are not likely to act on new pipelines until they do.



CANADIAN PIPE firms have launched multi-million-dollar expansion programs in anticipation of better future markets.

However, if the government announces what is considered a favorable policy, pipe sales "could open with a bang".

If one pipeline project gets the green light, production may reopen at the Welland plant in September or October, Mr. Bannerman said.

This plant is capable of producing 1,200 mi. of "big inch" pipe a year.

"Probably in five of the next 10 years we could take care of demand at the Welland plant," he continued. "But perhaps 50% of the time requirements for pipe laying will be beyond 1,200 mi. a year."

If the Canadian industry is not ready to turn out these pipes, orders will go abroad, he said.

European interests also are believed considering building a "big inch" pipe mill for Western Canada.

This group, believed to be chiefly European banking and investment interests, have also been looking closely at plans for establishing a basic steel operation in southern Alberta.

This project would be based on Crow's Nest coking coal and beneficiating type iron ore from deposits in southern Alberta and Montana.

The interest in a "big inch" pipe mill in Alberta is prompted by several pipeline projects:

- **Alberta & Southern Gas Co.** will need over 100 mi. of large diameter pipe to be laid in the southeastern part of B. C.

To service this line will require some 300 mi. of additional pipe to be laid in Alberta by the **Alberta Gas Trunk Line Co. Westcoast Transmission Co.** is also associated in the venture.

- **Trans-Canada Pipe Lines** is expected to loop its entire line from Alberta to Montreal, starting about 1960, over a four-year period.
- **There is a projected oil pipeline** from the Athabaska oil sands to Edmonton.
- **A projected oil line from Alberta to Montreal.**

Canada's production capacity of piping has expanded rapidly in the last few years.

In 1954, DBS figures indicate that 219,500 tons of steel pipe and tubing were manufactured valued at $36 million.

The comparative figures for 1955 were 331,000 and $57 million; for 1956, 434,000 and $85 million; for 1957, 512,000 and $132 million.

Production last year dropped to 496,000 tons and it is down further for the first three months of this year compared with the first three months of last year.

Production of cast iron pipe and fittings is up in the first three months of this year from the comparative period last year, from 153,000 tons to 199,000 tons.

Canadian capacity to manufacture smaller pipes is expected to increase in the third quarter of this year when Stelco's $10 million pipe plant at Contrecoeur, near Montreal, begins production (of pipe ranging from ⅜ in. to 4 in.).

In the same period **Standard Tube & T. I. Ltd.** expects to begin operating a new mill being built at its Montreal warehouse.

Both companies are already supplying the pipe market—Stelco from St. Henry Works, Montreal, and Standard Tube from its Woodstock, Ont., facilities.

The new mills are being designed for increased capacity and efficiency. Standard Tube will be improving its competitive position in the Quebec market through better deliveries and savings on freight.

Sales of steel and iron piping may be affected by a new process for the high-speed production of welded copper tubing.

Exclusive Canadian rights to the process have been secured by Page-Hersey from **New Rochelle Tool Corp.**, New Rochelle, New York.

Page-Hersey has already taken delivery of two welding units. Production of copper tubes will begin as soon as a new ½-in.-4-in. forming and sizing mill arrives at Welland.

"This will be followed in due course by the production of aluminum pipe and tubing and later by tubes of various alloy steels," Bannerman said.

Warehouses Cut Holding Costs

Steel warehousing men like to tell the story of the dollar-conscious housewife who discovered potatoes were a lot less expensive if bought wholesale.

So, the story goes, she bought five tons of them.

Her husband was miffed to find his garage packed to the roof when he got home, but was impressed by the saving.

Of course long before the family could eat even the first quarter ton, the rest of the potatoes were rotten.

"It was a classic example of the cost of possession," one steel warehouse executive told FP. "Buying in bulk certainly saves money initially, but not everyone has bulk requirements nor bulk facilities.

Canadian steel users are going to hear more about the cost of possession in the months ahead as the warehousing industry tries to catch up with the advances of its opposite number in the U. S.

In the past the warehouses have thrived in times of short steel supply. It is then that the mills are not too interested in meeting the needs of small users.

"It is inevitable that when there are plenty of customers and not enough steel, the prime producers are far too busy to give much attention to small orders," one steel man explained to FP. "It is then that the warehouses have come into their own."

The steel warehouse has been described as a sort of supermarket. At a warehouse, for a markup of about 20%, a steel user can get just the amount of steel he needs and in the exact shape and size he wants.

But like the housewife with her potatoes, warehousemen complain, too many users are still put off by that extra 20%.

What does the warehouse customer get in return for the extra cost?

Warehousemen list these answers:

- **Service.** Each week the major warehouses across Canada handle orders ranging in value from several thousand dollars to less than $20.

Because of the way they are set up they can still afford to give the little man the attention he needs. There is no need to wait for other orders before it is worthwhile to ship the steel. The customer can drive up and collect it himself if necessary.

- **Variety.** Most steel warehouses handle virtually every shape and size and type of steel. As well, a growing number have added specialty lines such as copper, lead, tin, zinc and aluminum. The customer is offered the best metal for the job he has to do, with no delays.
- **Actual Cost.** In many ways this is the crux of the warehouse case. While at first it might seem a more expensive way to buy steel, in fact it is often dramatically cheaper for the small user. That is the lesson the warehouses will be hammering into their potential customers.

"It would be quite stupid to suggest a major steel user like **Canadian Car** should buy its steel from a warehouse company. That would be unrealistic," the president of one warehousing company explained.

For the big company using great quantities of steel, he said, it is economical to establish storage facilities and metals handling equipment. The steel producers will always be able to give such a customer top class service. If there is steel available, such big buyers are always on the waiting list.

But for a company producing something that requires a steel frame, or a few steel items, the situation is different. Then not much steel is needed at any given time, but what is needed must be available at the right time and place.

"Obviously under those conditions one must have a stock on hand," the warehousemen said. "The company must set up a steel supply and hold it in inventory."

And unless, by chance, the product calls for the exact shape and size of steel regularly supplied by the mills, it has to be rehandled with an inevitable waste of a certain amount of steel.

If, on the other hand, the steel customer deals through them, say the warehousemen, he gets what he needs, when he needs it, without waste or the cost of holding a heavy inventory.

It is this ease for the customer that makes operating a steel warehouse a difficult and sometimes trying occupation. Like the manager of a supermarket, the head of a warehouse company has to decide what the customer is likely to want now and in the future. He takes on himself all the headaches of heavy inventory that his customer escapes.

The warehouse must be financially healthy enough to withstand a few bad guesses.

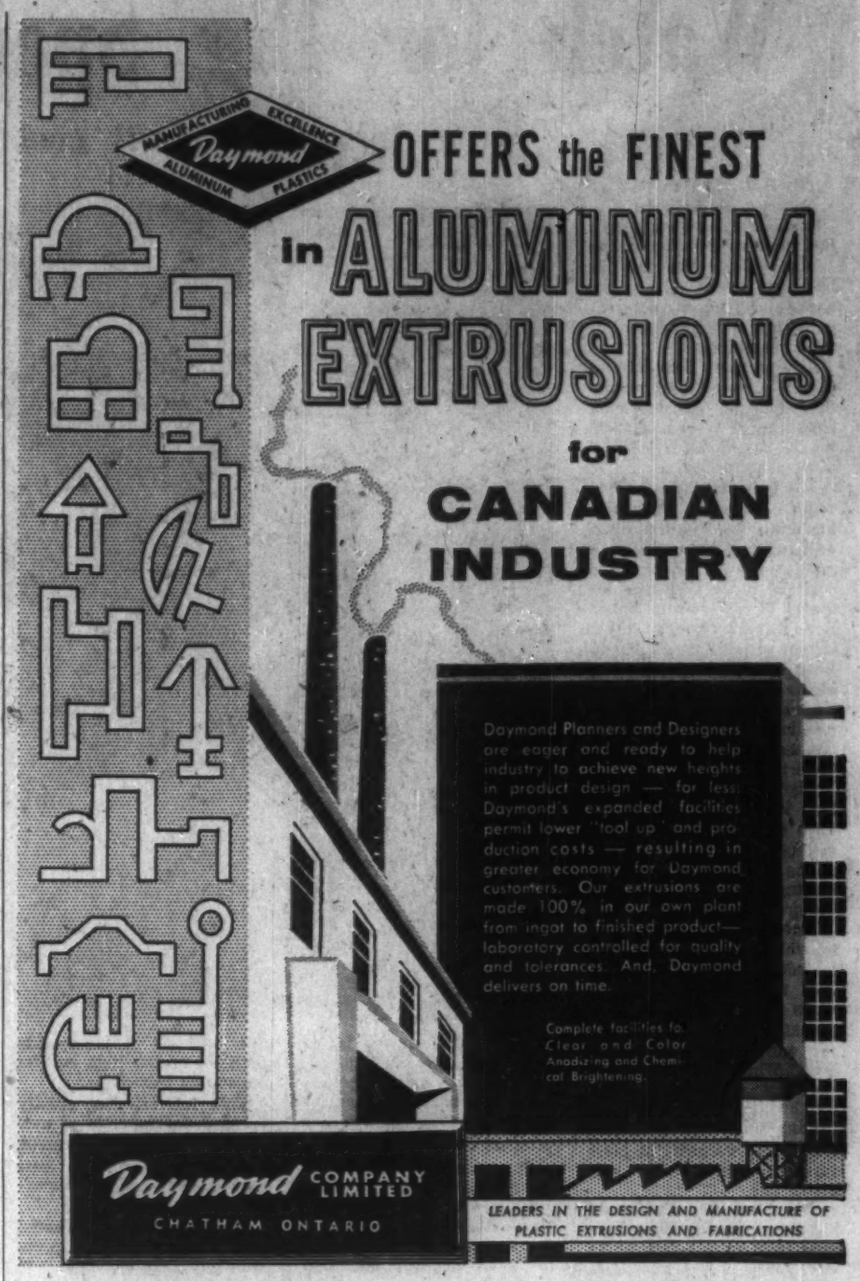
In the U. S., "steel service centres" as the warehouses are known there, are enjoying a marked upswing in business. The message of cost of possession seems to have caught on better there than in Canada.

At least one such centre is laying plans for a helicopter delivery service that could meet sudden orders, sometimes within minutes.

"It is often the case that we Canadians are slower to accept new ideas in business," the warehouseman concluded. "It seems we have to learn these things for ourselves.

"But when the steel users finally come to realize that the extra initial cost is actually an over-all saving in money as well as time, then we too should see a period of major expansion."

TONS OF STEEL ready for Drummond, McCall Co., Montreal, customers. Warehouses take the load of inventory off the buyer's shoulders.



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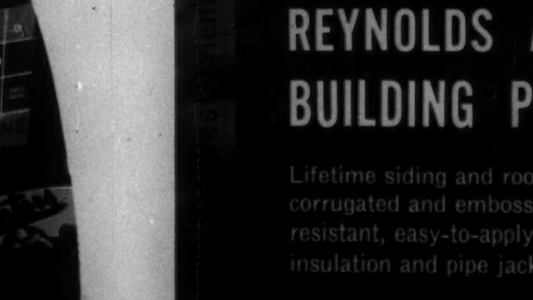

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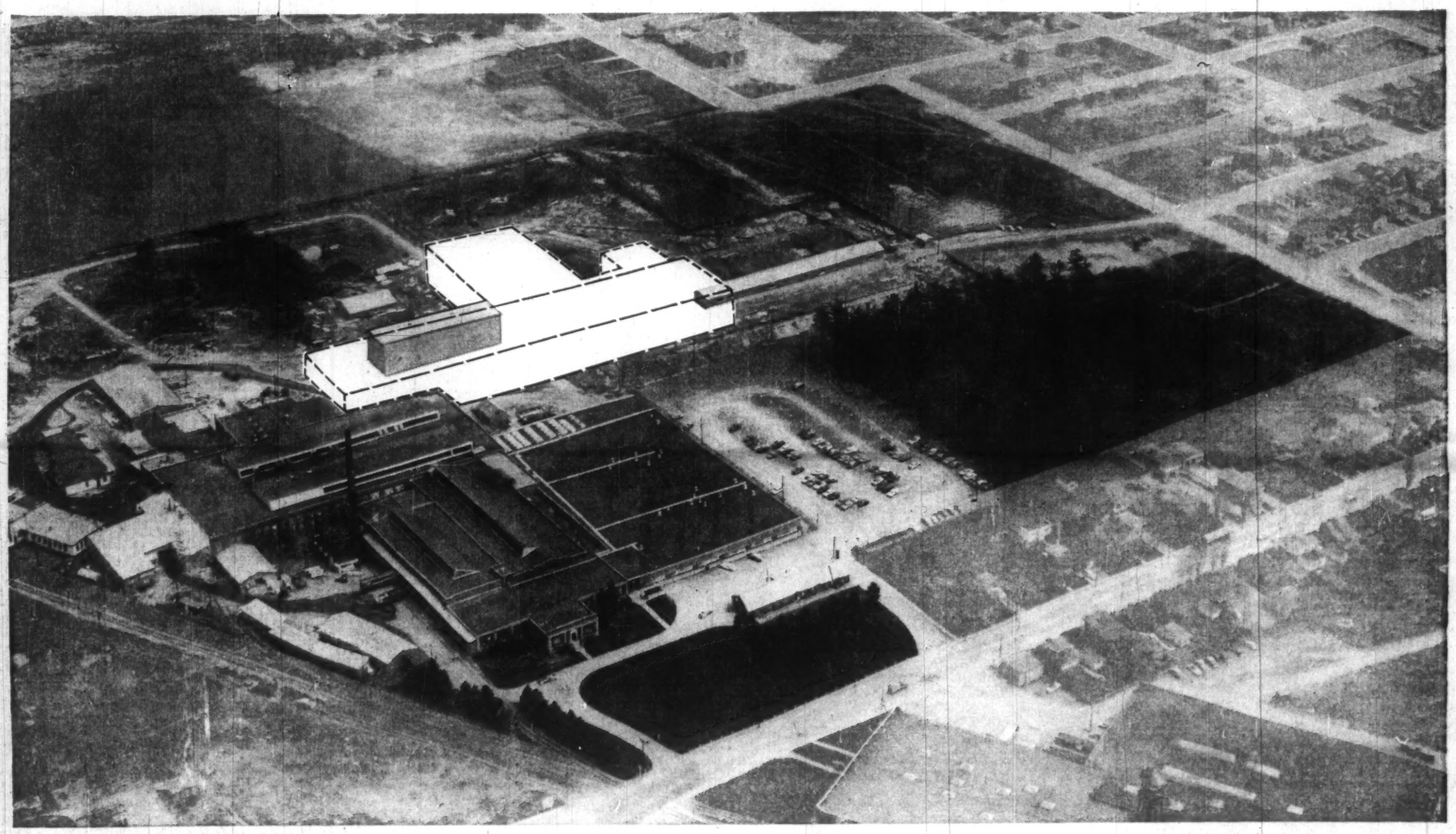
REYNOLDS ALUMINUM $4.5 MILLION EXPANSION PROGRAM NOW UNDERWAY



Cap-de-la-Madeleine, Que. — Acres of former farmland will soon send a greater number of quality aluminum products to market as part of a four-and-a-half million dollar expansion and modernization program by Reynolds Aluminum Company of Canada Ltd.

By the middle of 1960, Reynolds Aluminum will boast the biggest hot rolling mill ever assembled in Canada by an aluminum producer. The addition of the first tandem cold rolling mills in Canada will enlarge plant facilities by more than 34% and greatly increase production. And this tremendous growth in productive capacity and personnel is merely the beginning of a giant 25-year program designed to project Reynolds Aluminum into the position of one of the leading producers of aluminum products for home and industry in the world.

From Reynolds Aluminum plant at Cap-de-la-Madeleine, a booming town on the north shore of the St. Lawrence River, will come a continuous stream of new products: a new line of versatile aluminum sheets, made in wider widths from new high-strength alloys and ideal for countless new applications. Tough, durable aluminum for new skyscrapers. Weather-resistant, lightweight aluminum for railway cars, mobile homes and for Canada's construction industries. Rust-resistant, strong aluminum for automobiles and water craft. Innumerable products for better living will bear the Reynolds seal of quality.

For Canadian industry, this huge expansion program will mean more quality building products like lifetime, lightweight and strong Reynolds Aluminum Roofing and Siding, and fire-resistant, easy-to-install Reynolds Aluminum "REYLIFE" Reflective Insulation and Vapor Barrier. For millions of Canadians, it will mean more wonderful home products like Reynolds Wrap, Canada's favorite aluminum foil, quality-protecting Reynolds Aluminum foil packaging and sparkling-clean aluminum containers. Soon more and more products you will be proud to manufacture and own will be made from Reynolds Aluminum.

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Company Projects

Boost Steel-making Facilities

Canada's steel industry is flexing production muscles.

A rash of new projects already under construction or in the planning stage, will substantially boost steel output in the next few years.

While a number of these projects involve secondary steel manufacture, a major boost in basic steelmaking facilities is also in the cards.

In the Montreal area, **Dominion Steel & Coal Corp.** and **Sogemines Ltd.**, through a jointly-owned subsidiary, **Canadian Steel Ltd.**, are embarking on construction of a $70 million hot and cold rolling mill.

The project is part of a vast $300 million over-all plan which may see establishment of a fully integrated steelmaking operation near Montreal within the next 15 yr.

Site for the rolling mill has not yet been decided upon, FP understands. A number of locations are under consideration with Contrecoeur appearing to have the edge.

It is understood that contracts for the mill will be let shortly. Construction work is expected to get under way by late summer.

According to street rumors, public financing may be undertaken this fall.

When completed in the summer of 1961, the mill will have an annual output of between 300,000 and 500,000 tons of hot and cold rolled products such as sheets and plates. It will employ between 600 and 700 men.

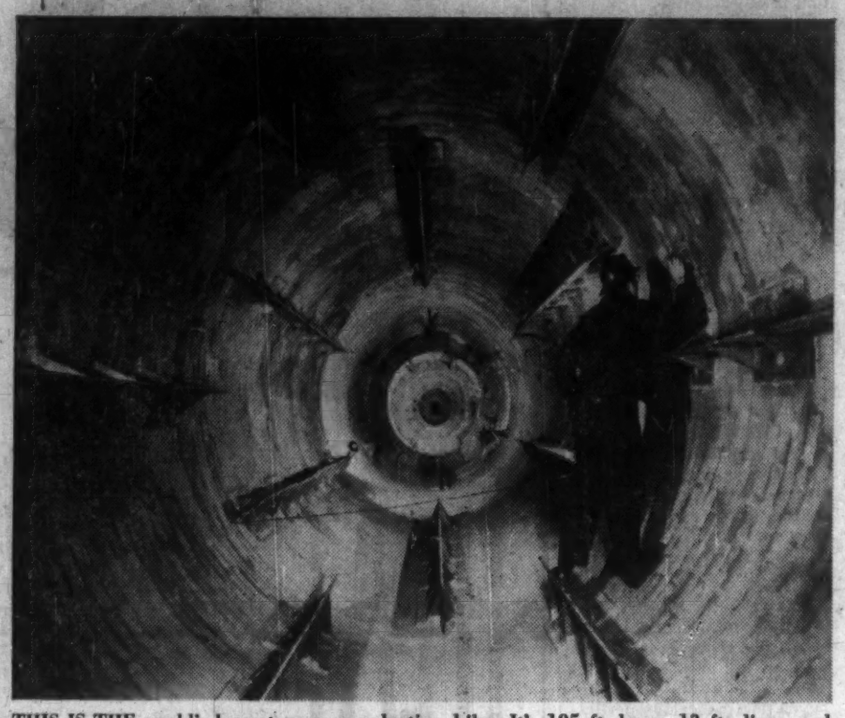
A large portion of the steel for the mill will be supplied by Dosco's Sydney, N.S., plant. There, Dosco is spending $13 million this year to extend blooming mills.

The Sydney plant's steelmaking capacity is currently a million tons per year. It was substantially increased in 1957. A further increase of $250,000 tons is planned to take care of increased requirements for the Montreal mill.

Dosco already has one small steelmaking facility in Montreal, the former **Canadian Tube & Steel Ltd.** plant.

This plant, known as the Dosco Montreal Works, has two 30-ton electric furnaces, produces steel from scrap.

Plans are also under way to expand pipemaking facilities of the Montreal Works. Decision is expected to be reached shortly on a $2 million expansion which would permit the plant to turn out tube up to 16 in. in diameter. At present, maximum size is four inches.



THIS IS THE world's largest gaseous reduction kiln. It's 185 ft. long, 13 ft. diam. and owned by International Nickel Co. of Canada.

On the west coast, work has started on a $200 million fully integrated iron and steel operation being built by **Consolidated Mining & Smelting Corp.** at Kimberley, B.C.

The plant will ultimately produce pig iron, steel ingots and rolled steel products. It is the first basic steel operation in Western Canada.

First phase of the project will comprise sintering and furnace feed facilities with a capacity of 100,000 tons of steel per year and one electric furnace with annual output of 36,500 tons of pig iron. It is scheduled to be completed in 1961.

A second, larger furnace and oxygen blown converters for production of steel, as well as fabricating facilities, will be added at a later date as markets develop. The plant will be located adjacent to Cominco's chemical and fertilizer plants at Kimberley. It will employ 200 men.

Cominco has a large reserve of iron tailings from its Sullivan Mine. These are currently estimated to contain over 15 million tons of recoverable iron and are being increased by current production at the rate of 350,000 tons of iron per year.

Agreement has been reached with the British Columbia government under which Cominco will receive a subsidy of $3 per ton on pig iron production to a maximum of 42,000 tons in 10 yr., provided production starts by May 1, 1961, at an annual rate of 36,500 tons.

If capacity reaches 100,000 tons per year by May 1, 1964, the subsidy will cover 100,000 tons to a maximum of 10 yr.

Quebec South Shore Steel Corp., a recently formed Quebec company, is planning to build a small basic steel mill at Varennes on the South Shore of the St. Lawrence River, opposite Montreal Island.

Output will be 100,000 to 125,000 tons of steel and high-grade pig iron annually. Most will be marketed in Montreal area.

Company also plans to build a small reinforcing bar mill which will convert most of the steel output.

The plant will utilize for the first time in full-scale production the Strategic Udy direct reduction steelmaking process developed by **Strategic Materials Corp.** It is to be built by **Koppers of Canada Ltd.**, a wholly-owned subsidiary of **Koppers Co.** of the U. S.

Ore for the project will come from the property of **Hull Iron Mines Ltd.**, located near Hull, Que.

Recent underground drilling and development, company says, has established a minimum of 4,250,000 tons of blocked ore of an average grade exceeding 50% iron.

This is sufficient to supply the steel mill for 20 yr., company officials say. The Hull ore body is still open for extension laterally and at depth.

In addition to the Hull ore body, company also holds a 2,000-acre iron ore concession in the Mt. Wright area of Ungava adjacent to the **Quebec Cartier Mining Co.** property. Surface showings indicate an estimated 14 million to 24 million tons of ore, company officials say.

This property will backstop Quesco's ore position and could be brought into operation when the Hull deposits are exhausted or become uneconomical. Alternatively, the Ungava ore could be blended with that of Hull.

Quesco, which is the successor company to **Hull Iron Mines**, is in process of taking over the latter's assets. Control of Quesco is held by the Hull group, FP understands.

Financial arrangements are expected to be completed shortly, Quesco officials say. Construction of the steel mill is slated to start later this summer.

In the Regina area the $15 million steel rolling mill of **Interprovincial Steel Corp.** is to start operations late this year.

The plant has an annual capacity of 80,000 tons of skelp—the raw material used in manufacture of pipe—10,000 tons of plate and 10,000 tons of structurals.

Scrap to feed the mill will be collected in Western Canada.

The mill will employ about 175 men and annual payroll is estimated at $1 million.

In the specialty field, there's also a newcomer.

Crucible Steel Co. of America, through a subsidiary, recently purchased **Sorel Industries Ltd.** and expects to operate and expand the steel plant at Sorel, Que.

Crucible will turn out tool, stainless and high alloy steels. It moves into competition with **Atlas Steels Ltd.**, Welland, Ont., largest supplier of specialty steel to the Canadian market.

The deal with Sorel gives Crucible working capital of $2 million and a plant having annual capacity of 40,000 tons of electric furnace ingots, a 16-in. bar mill, a 2,000-ton hydraulic forging press, a six-ton forging hammer, annealing and heat treating furnaces and auxiliary equipment.

Crucible is paying for its acquisition by issuing 70,000 shares of common stock, plus $500,000 cash and a later $3.4 million.

Details of company's plans for expansion of the Sorel plant will depend upon market experience and experimental work to be carried out.

Direct Reduction Passes Lab Tests

A process for producing strip steel from iron ore without melting has been developed by Republic Steel Corp., Cleveland, O.

The strip steel rolling process uses iron powder and bypasses such operations as coké ovens, blast furnaces, open hearths and blooming mills.

Peter Robertson, vice-president in charge of research and planning, said the company is optimistic and enthusiastic about results so far. There is still considerable research work ahead before commercial production will be possible.

Work on the process up to this time has been confined to the laboratory phase. Next stage will be to move to a continuous pilot plant line where larger quantities of materials can be handled.

New process has the potential to reduce capital equipment and production costs while producing steel equal in quality to the steel made by conventional methods.

Steel made in the laboratory offers the same strength, ductibility and ability to be fabricated into finished parts as steel produced by other methods. The company is now evaluating all phases of the new process in order to bring the entire economic picture into focus.

Three major steps in the Republic process:

- **Iron ore is highly purified and reduced to metallic iron powder.**
- **It is funneled between four rolls** where it is compressed from a semi-solid strip by rolling.
- **The semi-solid strip which emerges from step two passes through a furnace** where it is heated to 2,200 deg. F. in a reducing atmosphere and passes on through a series of hot strip rolling stands.

This hot rolling step reduces the thickness of the steel strip to the desired gauge and to full density and produces hot rolled steel in coils. The hot rolled coils have the same quality as conventionally-made steels.

After the hot rolling and coiling operation, the steel then goes through the usual operations of pickling, cold rolling and annealing before being re-coiled or cut into sheets.

Republic has produced more than 1,800 lb. of steel by the new process in the laboratory.

Robertson said: "The tests to date clearly show we can produce a quality steel by this method.

"We have overcome a number of difficult problems in obtaining the results so far and we know there are many additional obstacles ahead of us as we move into development work on a larger dimensional scale. We fully intend to move ahead aggressively in seeking solutions to these problems."

Sample stampings produced from the new strip steel were formed in a severe die forming test, demonstrating the steel's resistance to tearing or cracking and general response to drawing.

The new process is aimed at providing a quality steel for use in the production of end products in the same manner as present-day steels.

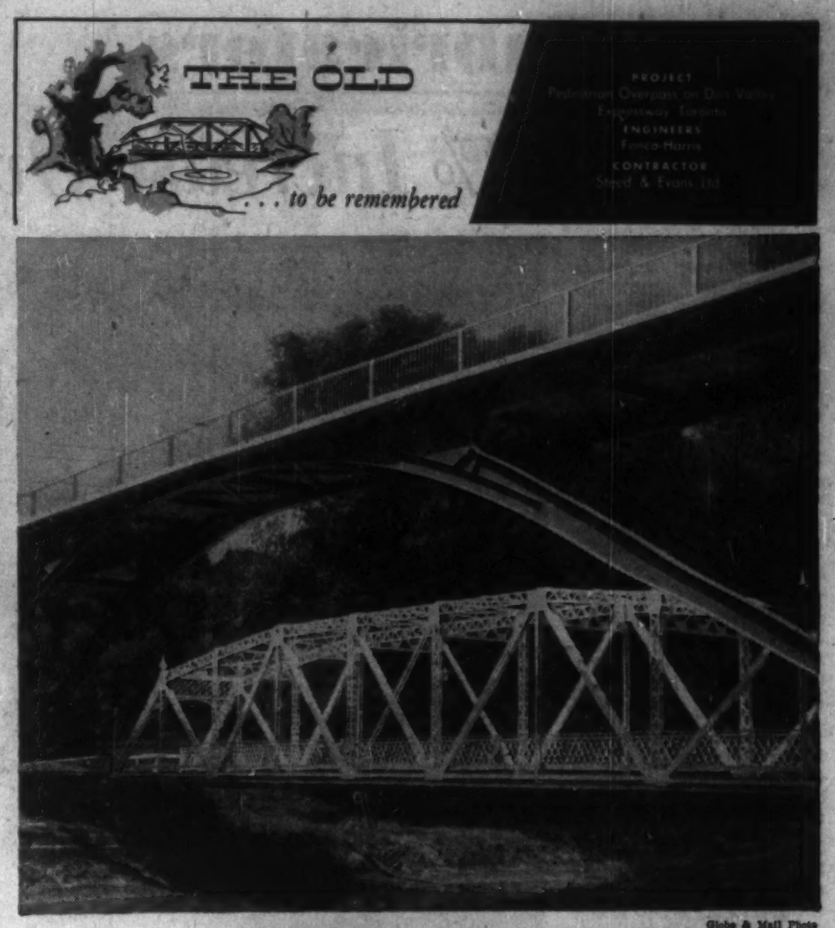
Powder metallurgy and direct reduction in recent years have been receiving increasing attention from the industry. Republic, in addition to many other companies, research organizations and individuals, has long been interested in this specialized field.

The company was among the first to build and operate a direct reduction plant in the U. S. This facility was constructed during World War II at Republic's steel plant in Warren, O. The direct reduction unit produced electric furnace scrap directly from iron ore by the use of coke oven gas.

A little later, at a pilot plant in Cleveland, Republic experimented with a process for beneficiating low grade iron ores by using a combination of chemical purification and direct reduction.

In 1955, the company built an iron powder plant in Toledo, O., for commercial production of iron powder for use in making mechanical parts by pressing and sintering. This process is based on studies made at the Cleveland pilot plant.

Two years ago, Republic formed the **R-N Corp.**, with **National Lead Co.**, for producing a melting stock directly reduced from iron ore as a scrap or hot metal substitute.



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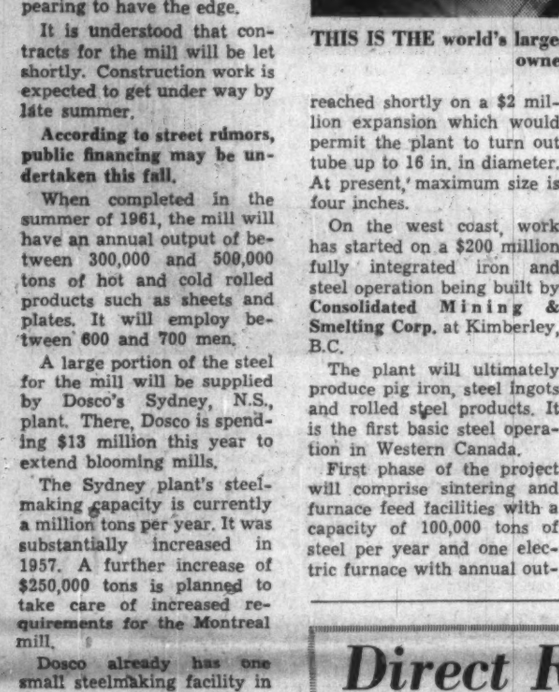

Stuart T. R. B. Watson, Corrosion Services Ltd., 17 Dundonald St., Toronto 5, Ontario

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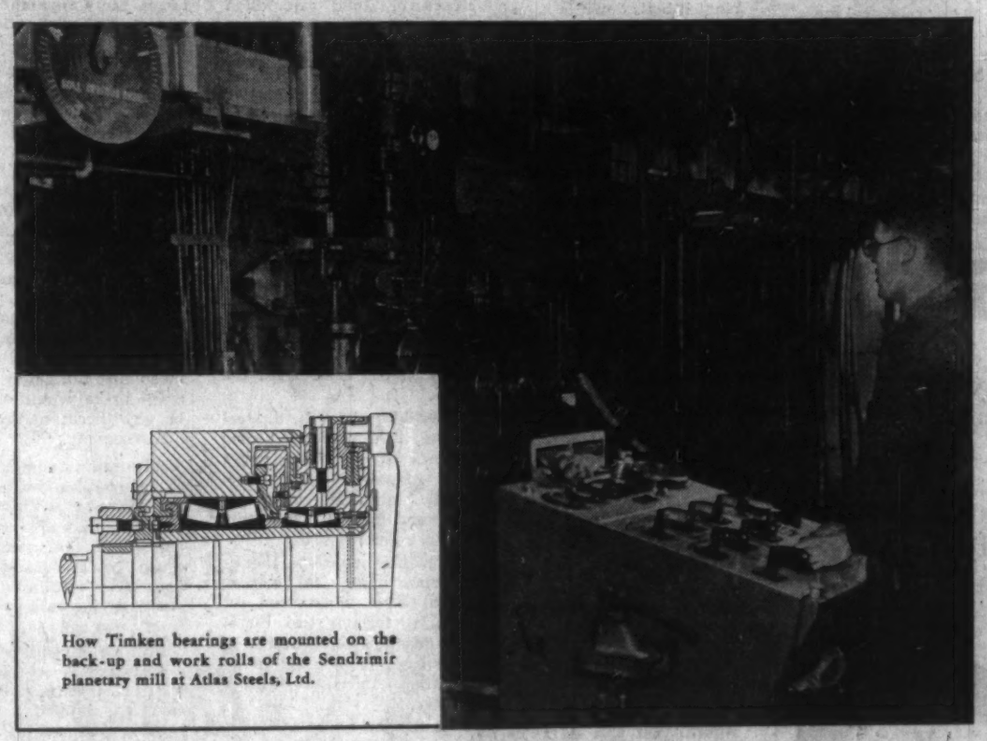

How Timken bearings are mounted on the back-up and work rolls of the Sendzimir planetary mill at Atlas Steels, Ltd.

Unique mill reduces slabs from 2¼" to ⅛" thickness in one pass . . . Timken bearings take the shock

THE only machine of its kind in production in North America, this Sendzimir Planetary Hot Rolling Mill at Atlas Steels, Ltd., Welland, Ontario, makes only one pass to reduce slabs from 2¼" thick x 20" maximum width to ⅛" thick x 20" wide. Based on a new concept of rolling hot strip, it required many mechanical features not found in conventional mills. And to take the heavy shocks, keep bearing cost down, feed rolls, work roll cages, and back-up rolls are mounted on Timken tapered roller bearings.

1008 mills of all types throughout the world depend on Timken bearings for economical operation. Here's why:

1) *Balanced Proportion Design* of Timken bearings provides the optimum combination of bearing capacity, rigidity and roll neck strength. Load ratings are increased up to 40%. And their tapered design enables Timken bearings to take both radial and thrust loads.

2) *Longer life.* Tonnage records show that the long life of Timken roll neck bearings keeps bearing cost per ton of steel rolled to a bare minimum.

3) *Closer, more uniform gauge* in products rolled because Timken bearings positively locate mill rolls. And the low starting friction gives better product finish, cuts scrap losses, and results in higher mill speed.

4) *Economical lubrication* Timken bearings permit simple grease lubrication and operate efficiently with the new oil mist systems.

For better new or existing rolling mill equipment, specify Timken tapered roller bearings. They help machines do better work. That's BETTER-ness And its symbol is the trade-mark "TIMKEN". Look for it. The Timken Roller Bearing Company, Canton 6, Ohio, U.S.A. **CANADIAN PLANT:** St. Thomas, Ontario. Cable address: "TIMROSCO". *Makers of Tapered Roller Bearings, Fine Alloy Steels and Removable Rock Bits.*

This symbol on a product means its bearings are the best.

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First in bearings for 60 years

Steel Fabricators

Expect 10% Increase Over 1958

By FORBES GILBERTSON

Structural steel fabricators anticipate an increase of around 9%-10% this year over 1958 in tonnages booked.

There was a good normal pickup in March, with tonnages booked running ahead of last year, and prospects for this year are much more favorable than they were a few months ago.

These significant factors have developed since the first of the year:

- **There have been more announcements concerning construction projects** in recent weeks which haven't yet been reflected in contract awards.
- **Fabricators feel that expansion programs by Canada's iron, steel, steel pipe and other major industries** are indicative of this.
- **Industrial construction, so long in the doldrums, shows definite signs of an upward swing.** How big or how strong it's too early to tell. But some leading industrial plant designers told FP that they had more industrial plants on their drawing boards than this time last year. By fall, more of them should begin to show up in contract awards.
- **A generally optimistic attitude in business** in Canada is another factor.

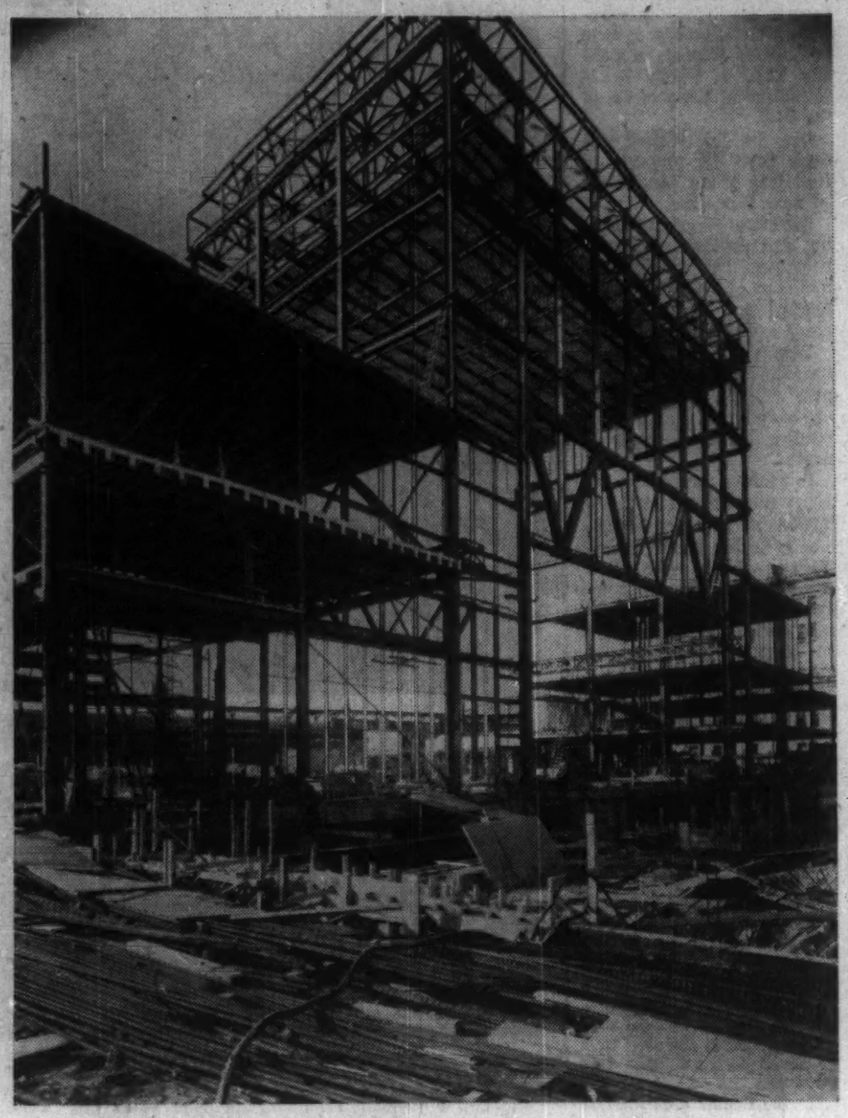
While structural steel tonnages for 1959-60 should show a gradual increase over 1958-59, competition is keen and, fabricators claim, profits low.

Commercial building and institutional buildings are helping to account for the present increase while steel contracts for bridges, viaducts and highway work are holding up strongly.

W. A. Hepburn, president of the Canadian Institute of Steel Construction and vice-president of **John T. Hepburn Ltd.**, Toronto, told steel fabricators at their recent annual meeting, there is an increased awareness of the potential in steel construction and the major role steel must play in Canada's expansion.

While structural steel tonnages booked have shown steady increases over the years, the industry is getting a smaller portion of the total market which has grown even faster.

The main competitors: Precast, reinforced, and prestressed concrete in bridges and buildings, glu-lam timber construction in schools, churches, single-story industrial buildings.



STAGE FRAMING of the O'Keefe Auditorium in Toronto, by Standard Iron & Steel Works. Building will be centre for cultural activities.

In the foreseeable future, the steel fabrication industry will have too much capacity for the actual work it's getting.

What it boils down to is an acute awareness among fabricators now that they have to get out and sell their product in the face of stiff competition, if they are going to get a larger slice of this market.

Prestressed concrete really made its inroad during steel shortages a few years ago, has never looked back.

What fabricators are doing:

- **Planning a stepped-up promotional program** and efforts to make technical information easier for designers to study, an approach which the concrete people are using very successfully.

The basic problem is to convince a rather limited number and type of potential buyers of structural steel that it is a better material for the purpose than competitive construction materials.

One of the main advantages of steel construction is speed of erection but the main thing that will permit structural steel to meet competition will revolve around costs.

Information and all relevant data have to be made available in a palatable and quick, easy-to-use form so that a designer wanting to use steel can design with the least amount of difficulty.

The information would be made available in the form of tables, charts, etc.

- **Conducting a continuing program** to find more economical ways to use structural steel.
- **Keeping up with developments** at home and abroad in structural steel fabrication and among the competition.

In Ontario, in 1959, the emphasis is on promotion.

The steel fabrication industry is going out and meeting the users and establishing better liaison between users and suppliers and backing the program up with more information.

The industry will strive hard and constantly for better understanding in contracting for structural steel.

It recently published, through Canadian Institute of Steel Construction, a code of standard practice.

The code is expected to satisfy a need for the clearest possible understanding between fabricators and customers.

It covers:

General standards and responsibilities; definition of structural steel; calculation of weights for pound-price bids; drawings and specifications; material from stock; inspection and delivery; erection practices.

Use of the document in specifications and contracts, fabricators feel, will clarify the contractural relationship.

While many fabricators have expanded far in excess of the market, the industry believes that an expanding economy plus the new "hard sell" approach will ultimately use all this capacity.

About two thirds of structural shapes come from the U. S.

Possibility of a U. S. steel strike has panicked some owners of buildings under way to ask for their steel to be fabricated ahead of time and to press fabricators to start double shifts.

If a strike develops, there's the possibility that owners might have more need for U. K. or foreign steel. But it all depends on whether a strike develops, its likely duration and many other factors.

Quite apart from any strike, foreign structural shapes and plate are certainly getting more attractive in price. So far, biggest impact of this competition has been felt in wire and nails.

But steel fabricators here are still hesitant about placing foreign orders. They are used to working with steel produced by North American companies. All their material specifications are geared to North American practice.

Canadian specifications, said one spokesman, are not necessarily applicable to European steels made by a different process.

A good deal of steel for fabrication is custom-ordered from the steel mill, ordered for length, area, etc., as closely as possible to what's needed and then fabricated.

Fabricators claim European structural shapes is ordered by brokers here but the potential buying fabricator doesn't really know very much about it when it arrives in Canada.

European structural shapes used here now, the spokesman said, generally are small shapes.

He pointed out that what is needed is much more detailed information all around.

U. K. steel has been used in British Columbia, he said, and has proved satisfactory, but the U. K. until recently hadn't the capacity to worry about the Canadian market and has a substantial construction program of its own.

The U. K. industry is now rolling the more popular sizes and shapes used in North America. While still only getting a token part of the market here, a good price, the opening of the Seaway, a possible U. S. strike, could help the U. K. boost its market.

The U. K. structural steel could represent a growing threat to U. S. manufacturers. This, plus **Algoma's** new structural steel mill could mean that ultimately a U. S. steel strike would cease to be any threat to the Canadian economy.

Algoma's announcement that it will build a new mill to supply wide-flanged shapes, which are used universally in the industry because they're considered the most economical, will substantially increase availability of these shapes in Canada.

Bulk of European steel is reported to be coming in for use as steel rods in reinforced concrete, competing directly in this case with Canadian steel mills.

Opening of the Seaway means that foreign steel can now be delivered to any point on the Great Lakes.

Once again, this makes competition price from concrete tougher for steel fabricators.

It means that fabricators could be much more receptive if U. K. mills can supply the quantity needed, meet deadlines, give consistent quality, and offer an attractive price.

As for European steel, fabricators at the moment feel they aren't familiar enough with it, want a great deal more information.

Time in steel erection is vital. Time is dollars to the construction industry and schedules run tightly. Speed of erection has always been one of the steel fabricator's best selling aids. Drawings, flow of materials, actual fabrication and erection, are rigidly scheduled and contracts contain penalty clauses for missed deadlines.

Consequently, ability to meet a deadline is a most important factor to any fabricator placing an order. This would apply even more emphatically to overseas orders.

Healthy competition and freedom of choice in selecting construction materials mean continual development and the structural steel fabrication is no exception.

Great strides have been made in fabrication methods in the past decade and more are ahead.

Designers can use the inherent strength afforded by steel as fabricating techniques become even more refined and less wasteful and costly details are eliminated.

A modern fabricating shop can turn out steelwork that bears only casual resemblance to that of 25 years ago.

Automatic gas-cutting machines, automatic welding processes, multiple punching and drilling assemblies, improved handling facilities and semi automated or fully automated processes that reduce human error to a minimum have meant improvements for steel fabrication.

The plastic theory of design is ahead for the structural steel industry in Canada. This has evolved through a better understanding of the actual mechanical properties of structural steel and its behavior in service.

Former theories of the behavior of rigid frame structures produce an over-conservative estimate of the actual strength of the steel frame. The new method is accurate in predicting actual load-carrying capacities of steel members.

Plastic theory, say experts, is simple to use once fundamentals have been mastered. It leads to considerable economies and in the amount of steel required in many cases, with tonnage savings estimated at between 10% and 30%.

Better ways to protect steel against weather or in below-ground installations are being researched.

Steel mills now produce many structural steels which have improved corrosion resistance combined with ultimate strengths and good weldability.

Relatively inexpensive coatings are available for steel pipes which will give protection for many years in below-ground installations.

What architects would like to see in structural steel:

Research to eliminate problems of fireproofing, noise impact, condensation attributable to the cold conductivity of structural steel exposed to outside air.

- **New structural sections that would be more compatible with curtain wall construction** and sections that can be more readily adapted when the structural steel is used as a pattern on the exterior elevation.
- **Thermal connection,** soundproof connections and concealed connections are improvements that would solve many problems in the modern building.

As structural steel sometimes serves the dual purpose of structure and exterior pattern in many buildings, it may one day come to the building site prefinished in a variety of colors and finishes, with exposed sections shop-insulated.

Organize White Collars

The steel industry — or most of it — faces a union powerhouse across the bargaining table.

And there is every sign that it will continue to face an even-stronger union, which is probably the most influential in labor, one of the most skilfully led.

United Steelworkers of America is big (over 80,000 members), broad-based (it's in basic steel, secondary steel and fabricating, in mining and smelting) and it is growing larger despite the dampening effects of automation.

Highlights of steel labor pattern:

- **Strong talk for wage parity with U. S.** at Steelworkers recent national policy conference. Union goal: wage hikes and shorter hours.
- **Continuing push for Steel's job evaluation scheme.** It's in some contracts but in other areas it has run head on into management's stand on its own right to run the business.
- **More emphasis coming on severance pay.** This appears to be the union's immediate answer to the threat of automation. It also will be used to try to gain more security for mining members in vulnerable situations.
- **There may be more interest by Steelworkers in portable pensions.** Some locals have managed to get these into contracts. These pensions may look pretty good to small company members, and there are quite a few Steel locals in this category across the country.
- **Accident prevention and safety.** Steelworkers is leading the way here, arguing that unions should have more voice in this field.

MOST OF THE STEEL industry will have to face a strong, well-led union across the bargaining table. United Steelworkers of America has over 80,000 members and is getting bigger.

Meanwhile, outside the bargaining tables, the union plots a shrewd course to try to protect its position in what one official calls "very difficult times."

Industrial unions will be particularly vulnerable to declines in membership in next decade.

Automated jobs are already whacking away at the membership rolls.

And it's generally agreed that office and technical workers will grow in importance and numbers as the plant employee total drops.

A good example of Steelworkers flexibility: It's in the forefront to sign more professional, technical and office workers within its own broad jurisdiction.

In steel, fabricating, metals, mining and smelting, the union is driving ahead to unionize vertically — white collar and blue collar. And in a tough field, it has been having some surprising success.

Steel also has accepted leadership in political action by labor movement. It is strong supporter of CCF and of the concept of the proposed new labor-farmer political party.

This has been a busy year in steel negotiations — but there have been nothing like the fireworks of 1958.

Then, the basic steel settlements set the pattern for the industry—but not before an 83-day strike at **Steel Co. of Canada.**

This, and an earlier agreement with **Algoma Steel Corp.**, gave workers a 24c hr. wage hike over a three-year contract. There were fringe benefits additional to this.

Big negotiations this year have centred on the **Dominion Bridge Co.** plants across Canada, mostly structural steel plants.

Union would like chain-wide bargaining for the company but it hasn't got it yet.

The result was tentative agreements at two Ontario plants hinging on agreements being reached in other provinces and in Ottawa area.

In late spring, that was the partly-settled, partly deadlocked situation.

Steel industry management has taken a firm line in the past year as wage hikes are concerned.

Although the hold-the-line policy of the recession was broken and a pattern of "more" established in basic steel, a stiff attitude has been carried over into this year.

Hard bargaining has been the rule.

Steel wages continue to add to costs. They are among the most "pushy" in all industry.

For example:

Average hourly earnings in the key primary iron and steel category, as measured by **DBS**, have soared ahead about 181% since 1946.

Hourly earnings in fabricating and structural steel are ahead 60% since 1950. In the broader class of all iron and steel products, the gain since 1946 has been around 162%.

Compared with other key categories of industry, the primary steel workers have chalked up more gain than most.

The 181% leap since 1946, for example, compares with around 111% for motor vehicles, 161% for smelting and refining employees, 160% for workers in heavy electrical machinery equipment.

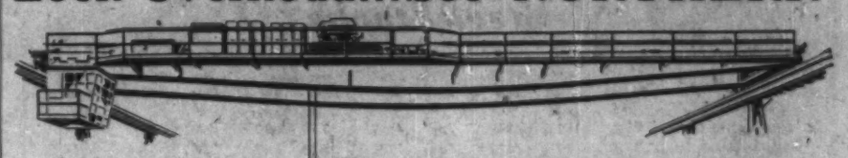
While United Steelworkers is the dominant union in the industry, there are scattered locals of other unions, including Montreal Steel & Foundry Workers plus other unaffiliated groups.

How Steel Wages Climb

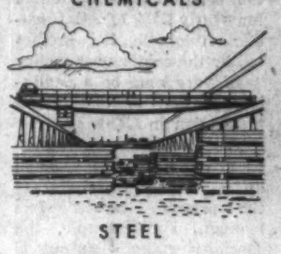
AVERAGE HOURLY EARNINGS
(cents)

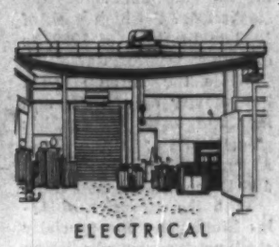
	Iron & Steel Products	Primary Iron & Steel	Fabricated & Structural Steel
1946	76.1	82.7	....
1950	113.6	126.5	120.4
1955	163.1	180.0	166.5
1956	172.4	195.6	172.7
1957	180.0	213.9	180.1
1958	191.1	224.1	186.6
1959 (March)	199	236	192

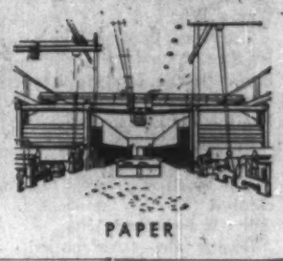
Look Overhead...See "NORTHERN"



in CANADIAN INDUSTRY







Wherever you go in Canadian industrial plants you see Northern Overhead Electric Traveling Cranes providing the dependable, trouble free, low maintenance service demanded in today's cost-fighting production.

Northern — made by Canadians in Canada — Cranes serve dependably the widely diversified needs of mines and metal producing plants — metal working and fabricating plants — steel mills and warehouses — chemical plants — electrical manufacturers and power plants — paper and pulp mills — railroad shops and car repair yards — cargo ships — in almost every type of competitive industrial service.

A Northern Crane would be a sound investment.

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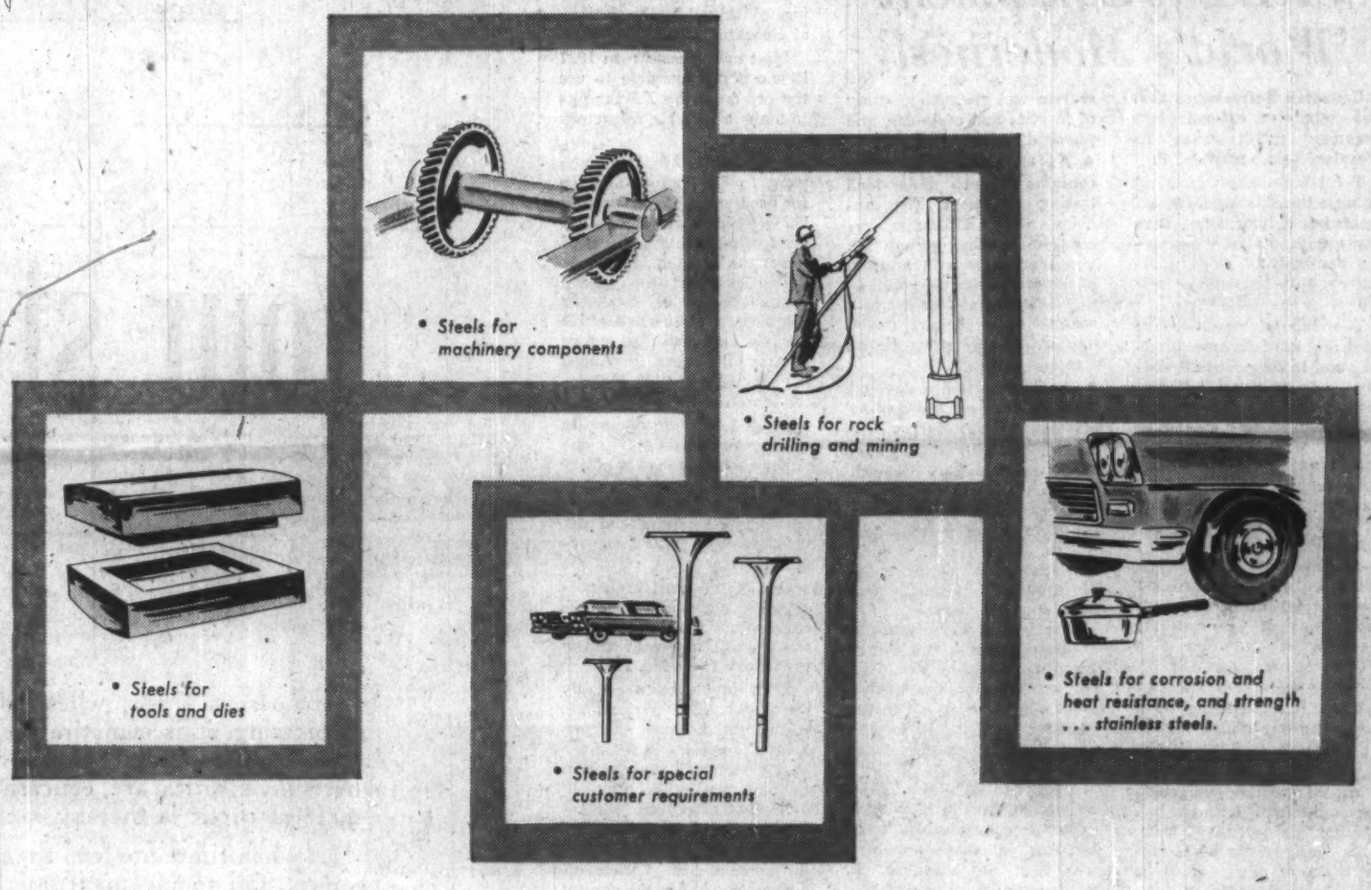


FOR ALL INDUSTRY
CANADA'S LARGEST SELECTION OF

SPECIALTY STEELS

Atlas offers a supermarket selection of specialty steels in 5 basic groups—High Speed and Tool Steels, Machinery Steels, Mining Drill Steels, Special Purpose Steels, and Stainless Steels. Over 200 Atlas specialty steel grades are produced to meet the broad requirements of industry. Many of these are tailored to individual requirements of size, shape and finish. Some are furnished to special analyses or with special physical properties. In all, Atlas specialty steels are made in over 16,000 sizes, shapes and finishes.

Despite this wide product range, delivery is quick and reliable from Atlas' six strategically located warehouses, which stock a combined total of 10 million pounds of specialty steels.

Atlas can supply exactly the right steel for *your* needs as well as the metallurgical and technical information to overcome any metal problems you may have. Contact your Atlas representative for full product details and obligation-free service.

Atlas specialty steels are produced in Welland, Ontario in electric arc furnaces which afford maximum quality control of both physical and metallurgical properties.

ATLAS STEELS

ATLAS STEELS LIMITED
WELLAND • ONTARIO
Warehouses: Montreal, Toronto, Hamilton, Windsor, Winnipeg, Vancouver
Representatives: London, St. Catharines, Sudbury

Automated Cutter Traces Sketches

A new fully automated, unlimited-capacity shape-cutting machine will easily reproduce any quantity of intricate metal parts of any shape or size.

The machine features coordinate drive and is powered by two electrically synchronized, heavy-duty motors providing ample power for every type of flame-cutting operation.

It can flame-cut intricate parts of any length, width or thickness. Standard models can be equipped with 10 torches to cut any width up to 10 ft.

Larger models will cut shapes of any width and can be equipped with additional torches. Thickness of the metal that may be cut is limited only by the capacity of the torches used.

The Oxweld CM-60, product of **Linde Co.**, division of **Union Carbide Canada Ltd.**, Toronto, is equipped with the recently-introduced Linde photocell tracer, is said to be the world's first large-capacity cutting machine to have an automatic kerf compensator.

The automatic kerf adjustment represents a radical improvement over existing types of tracing units. Parts can be reproduced from an exact-sized drawing without the necessity of making allowance for kerf width on the drawing.

Drawings of parts are made in the exact size of the part desired. Kerf compensator dial is then set for the plate thickness being cut and automatically compensates for kerf width, so that reproduced parts are exactly the same size as the line drawing.

Simple pencil or ink sketches of intricate metal shapes and forms can be used to guide the CM-60, since the photocell tracer accurately follows easy-to-prepare pencil sketches on ordinary paper.

This eliminates need for expensive metal or plastic templets, photographic negatives or complicated and costly silhouettes.

Because the photocell tracer can accurately follow crossing lines, extremely intricate shapes can be cut. Wear on templets and cover sheets is completely eliminated as neither the machine nor tracer ever come in contact with the templet or tracing surface.

The machine is said to be so advanced that all cutting operations are instantly and accurately controlled by a single operator sitting at a convenient, easy-to-use control panel.

Tracing, ignition, preheat, cutting oxygen, height adjustment of the torches, movement of the carriages and positioning of the tracer can be handled from the control panel. Individual motors in each cutting torch holder provide independent and accurate vertical control of each torch.

Another feature:

Use of a new, automatic height adjustment control on the motor of each cutting torch. Unit rides the plate in front of the torches and quickly senses the slightest deviation in the levelness of the plate surface. Motorized torch holders react instantly, lowering or raising the torches to compensate for any deviation.

Complete cutting cycle is controlled through the operating sequence dial on the control panel. Torch ignition, preheat and cutting oxygen gases are automatically operated through solenoid valves. Flames can be shut off instantly eliminating any bleed-down flow from the cutting oxygen orifice which causes gouging after the cut is complete.

When the operator wants to pierce the plate, a pilot valve at the control panel allows him to turn on the cutting oxygen slowly and evenly to prevent fouling of cutting nozzles.

Stainless Steel Roof For Autos

Stainless steel serves as a gleaming, rustproof roof on the 1959 Chrysler Imperial Southampton sports models.

The new roof is designed to fit over Imperial's standard production roof.

The company says that while developed to enhance the roofline of Imperial two- and four-door Southampton hardtops, the new stainless steel crown also serves as a double roof, and provides extra strength and insulation.

The stainless roof is actually a .025-inch-thick appliqué which is fixed tightly over the entire standard roof section forward of Imperial's Landau-type roof step.

An optional equipment feature, it weighs approximately 25 lb., and measures 58 in. across and 69 in. long.

It is held securely in place by stainless steel rivets.

Fabricated from **Republic Steel Corp.** Type 302 "Enduro" stainless, the top is separated from the original roof by a layer of Oznaburg heavy, impregnated cloth insulation.

The roofs are fabricated at the Detroit plant of the **Budd Co.**, where presses can stamp out more than 300 roofs an hour at capacity production.

The company uses a triple-action press for the initial roof stamping operation, and a single-action press for trimming roof front and sides.

High pressure oil is used to cover the stainless blank in order to prevent splitting, tearing or distortion while in the press.

After removal from the trim press the stainless roof blank (24-gauge sheet stock) is then taken and inserted into a flange press, which flanges the roof front, "doorways," and finally forms the rear window opening.

After a more precise trimming, the finished stainless stamping is delivered to the Imperial plant for installation.

Steel Stocks

	Recent $	1959 High $	1959 Low $	1958 High $	1958 Low $	Earnings per share 1958 $	Earnings per share 1957 $	Indic. Div. Rate $	Price Earnings Ratio	Yield %
Steel Co. of Can. ..	78¾	80½	68½	70	45½	3.79	4.90	1.90	20.8	2.41
Algoma Steel	38½	39⅝	35½	36½	21¾	2.05	2.49	1.00	18.6	2.62
Dom. Steel & Coal ..	19½	22⅜	18½	24	18¼	*0.92	2.42	1.00	...	5.13
Dom. Foundries	45½	49	41¾	41¾	23¼	3.12	2.54	1.20	14.6	2.64
Atlas Steels	24¾	29¾	24⅜	27⅛	15⅞	2.04	2.49	1.00	11.9	4.10

*Seven-month period ended July 31.

Steel Stocks

Steady Gains for Many

Stocks of the leading basic steel producers, with one exception, have been gaining steadily in price for more than a year.

The exception is **Dominion Steel & Coal Corp.**, which has been reorganizing since control was acquired by **A. V. Roe Canada Ltd.** in 1957.

In the last 12 months, the industrial index on the Toronto Stock Exchange has climbed 18.7%. Montreal's index has climbed 19%.

During the same period, the price of **Dominion Foundries & Steel** stock has gained 53.6%, **Steel Co. of Canada** 33.5%, **Algoma Steel Corp.** 29.2% and **Atlas Steels** 25.8%. Dominion Steel & Coal, however, has slipped down 8.8%.

A similar pattern appears in the movement of the stocks from the high peak of 1958 to the high of 1959, to date.

While the Toronto index has moved only 4.4% and Montreal 8.2%, Dofasco has gained 17.4%, Stelco 15%, Algoma and Atlas both 7.2% and Dosco has dropped 4.7%.

With the exception of Atlas Steels, the one specialty steel producer in the group of five, the current level of the steel stocks is fairly close to the 1959 peaks.

Weakness of Atlas is due to the outlook for second half 1959 in which the effect of diminishing export sales and rising competition from imports is likely to be felt. In the past, exports accounted for nearly 25% of Atlas production volume. It is predicted by the company that they "will very soon be a negligible portion of total Atlas production in Canada."

The specialty steel producer's position in Canada differs widely from that of the primary carbon steel makers. For example, the specialty maker's output is tied more than 40% to the automobile industry. Upswings in the construction industry bring little gain.

These differences need to be borne in mind when considering the question that investors are now asking: How much higher can the prices of steel stocks rise?

The question concerns the short-term outlook. For the long term no doubts the tremendous growth potential of the industry. Per capita steel consumption in Canada is currently about 800 lb. yr. compared with 1,400 lb. in the U. S.; 40% of Canadian steel requirements are now imported.

The Gordon Report predicts that between now and 1980, demand will double to more than 12 million tons yr. Even by then, some 10%-15% of total consumption may still be imported. The opportunity to displace imports is regarded as one of the powerful growth factors for the Canadian industry — and one that does not exist for the U. S.

Population in Canada is expected to rise to 27 million by 1980.

A per capita consumption of 1,000 lb. at that time would mean a total requirement of 13.5 million tons compared with 6.5 million tons at present.

The short-term outlook is more uncertain due to conflicting factors.

Bullish argument is supported by the general trend of business, likely to continue to show strength in 1960. Operating rates for Canadian steel mills are admittedly at year ago levels of about 85% of capacity, but their output for the year is expected to be higher because of a stronger start and the possibility of a stronger finish (Stelco was shut down 86 days in a strike last year).

A further factor is the increase in operating efficiency derived from programs of expansion and modernization. All four basic producers, Stelco, Algoma, Dofasco and Dosco, have new programs in hand.

On the bearish side is the increase in foreign competition, likely to be intensified by the St. Lawrence Seaway opening, and the prospect of further wage increases. Threats of a steel strike in the U. S. contribute to the unsettled state.

Statistical analysis of the five major stocks shows a number of significant trends:

Earnings of four of the five companies, on a per share basis, have declined for the last three years. The exception is Dofasco, whose 1958 earnings, aided by last year's strike at Stelco, soared from $2.54 to $3.12.

The accompanying table shows current price earnings ratios. Stelco, selling at 20.8 times 1958 earnings, can be compared with the 13.7 ratio of its peak earnings ($5.89 in 1955) to its peak price ($80½ in 1959).

Algoma, at 18.6, compares with a peak 14.7 (1956 earnings and 1957's peak price); Dofasco at 14.6, compares with 15.7 (1958 earnings and 1959's price); Atlas, at 11.9, compares with 8.7 (1956 earnings and price). Dosco's peak ratio is 10.3, based on full year 1956 earnings and 1957's price. A current ratio is not available.

Again with the exception of Dofasco, return on invested capital of four of the five companies has declined during the last three years. Dofasco's return has risen from 13.9% in 1956 to 15.4% last year.

On the other hand, Stelco has dropped from 19.3% to 15.3%; Algoma from 20.1% to 14.1% and Atlas from 22.8% to 15.7%.

In the case of Dosco, the return was 14.2% in 1956 and 12.5% in 1957. No figure is available for 1958.

Taking an average rate of return on invested capital, 1959 earnings of the five companies have been estimated in one recent analysis as follows (with 1958 earnings in brackets):

Stelco $5.25 ($3.79), Algoma $2.75 ($2.05), Dofasco $2.75 ($3.12), Atlas $2.70 ($2.04) and Dosco $2.05.

CRL Lab Equipment 'World's Modernest'

Canadian Refractories Ltd. has completed extensive laboratory facilities at its Marelan, Que., plant.

The laboratories were built because the existing facilities, located at Kilmar, Que., were inadequate to meet the growing demands of modern industry and refractory suppliers.

The laboratories will be used in a hunt for new products and to carry out day-to-day work on behalf of CRL customers.

The laboratories are said to be fitted with the most modern equipment in the world. Some of this equipment was invented by CRL's own technicians.

Individual problems of each customer's plant, each furnace, can be examined and their special refractory needs determined in the new laboratories.

Some of the features:

- **Laboratories contain 20,000 sq. ft.**, consisting of a main building and a second building housing a pilot plant.
- **Pilot plant contains conventional crushing and grinding equipment.** It has a hydraulically operated brick press, designed to CRL specifications, which is said to be the only one of its kind in the world. It has a maximum pressure of 325 tons and pressure can be applied from top or bottom simultaneously.
- **The plant also contains different kinds of furnaces**, some designed by CRL's staff, and intended for temperatures up to 3,600 deg. F.

Two of these furnaces are specially designed for studies related to high temperature spalling resistances and manufacture of rammed hearth materials.

- **Main building contains laboratories for general research**, wet chemistry, study of plastics and castables, and physical testing.
- **An electric furnace room contains modern under-load testing equipment.** This machine, fully automatic, records on a single graph the temperature rise and duration at top temperature as well as the dimensional changes of a specimen. It is said to be unique in the history of refractory research.
- **Another section is devoted to mineralogy including petrological laboratories.**
- **The research staff numbers around 25.** Several members of the staff are well known throughout the world in the field of ceramic research.

History of the development of refractories in Canada goes back over 50 years.

World War I presented a major problem to the North American steel industry. Cutting off of supplies of Austrian magnesite on which the industry had been largely dependent for certain types of refractories.

Magnesite had been found at Kilmar, Que., in 1900 but it differed considerably from the Austrian material which was then the standard. It needed the stimulus of wartime shortages to rouse interest in development of this new source.

In 1918 Canada produced around $1 million of dolomitic magnesite but the war's end sent most major consumers back to the European material. By 1921, Canadian production had fallen to $90,000.

The challenge: Could a way be found to make refractories from the Canadian magnesite which would be as good as, if not better than, the imported products.

In the early 20s, the federal department of mines began experiments and the work was continued by the National Research Council in 1925.

First major result: In 1927 it was found possible to use the ore from the Kilmar pits to make a suitable refractory clinker.

In the early 30s, NRC men went to England to arrange for production of a refractory brick which had been developed using this clinker. Sold under the name of Magnecon, the brick used the special characteristics of Canadian magnesite, became the world's standard for rotary cement kiln liners. Produced in Canada since 1935, Magnecon is also made in England.

In 1933 the two magnesite companies at Kilmar came under the control of a newly formed company, Canadian Refractories Ltd. This made possible full commercial development of NRC's discoveries.

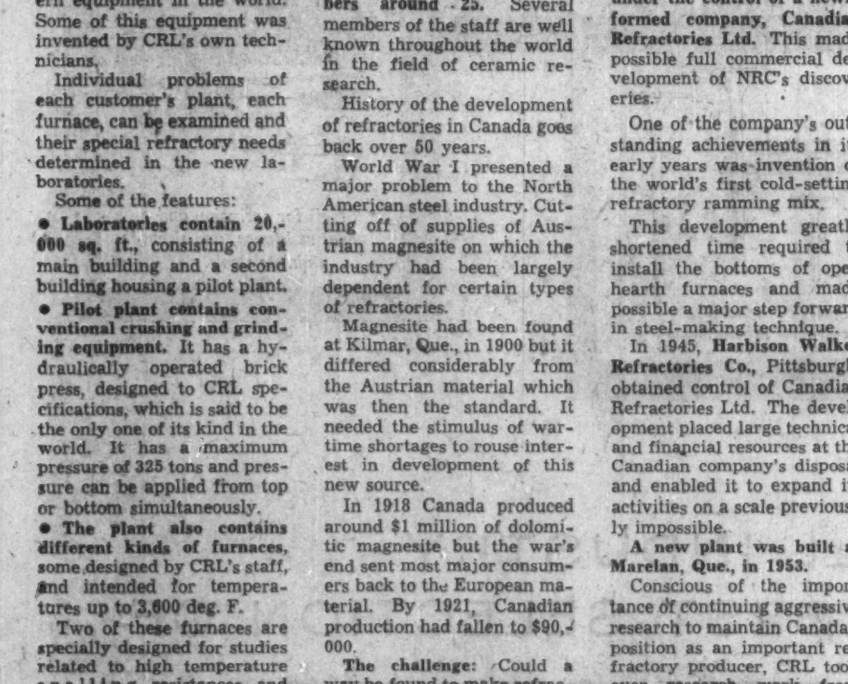
One of the company's outstanding achievements in its early years was invention of the world's first cold-setting refractory ramming mix.

This development greatly shortened time required to install the bottoms of open hearth furnaces and made possible a major step forward in steel-making technique.

In 1945, **Harbison Walker Refractories Co.**, Pittsburgh, obtained control of Canadian Refractories Ltd. The development placed large technical and financial resources at the Canadian company's disposal and enabled it to expand its activities on a scale previously impossible.

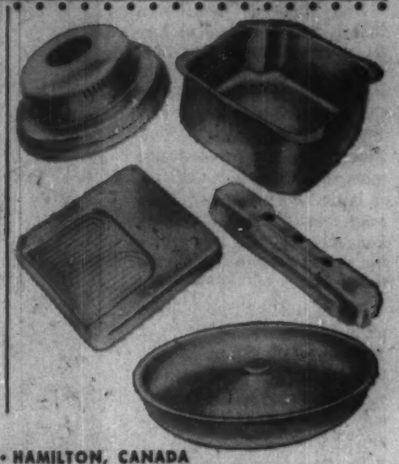
A new plant was built at Marelan, Que., in 1953.

Conscious of the importance of continuing aggressive research to maintain Canada's position as an important refractory producer, CRL took over research work from NRC during World War II; has now added its new laboratories to maintain its position in the industry.



DRILL AND DRAW fixtures are used to seat new stainless steel top in place on a 1959 Imperial. The stainless steel is fabricated from Republic Steel Corp.'s "Enduro" type 302.

SLATER PRESTMETAL STAMPINGS



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But when times are lean the picture changes, and management says "Scrutinize everything. Extract full profit potential. Cut costs."

The case of the steel user is fairly typical. If he has piled up inventory on a "just in case" basis, he cuts back — and rightly so — because a piled-up inventory can mean piled-up costs. In turning again to his Steel Distributor for the supplies and services he needs, he re-discovers these benefits:

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4. Savings are realized on handling and processing.
5. Scrap losses, and interest and insurance charges are reduced.
6. The administrative and clerical costs of direct buying are reduced or eliminated.
7. The complete flexibility of a "steel supermarket" is gained as a source of supply.

If obtaining these benefits makes sense in lean times, when you are watching the pennies, does it not also make sense *all* the time? Your Steel Distributor exists to serve you, and in the long run to save you money. You will be well repaid if you use his facilities to the full.

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Record Steel Consumption?

By CLIFFORD FOWKE
Associate Editor, National Builder

After a relatively quiet start, 1959 could finish up as a record year for consumption of steel in Canada. And, in some instances, supplies may become as tight and deliveries as late as they were two years ago.

Apart from the impact which a U. S. steel strike could have, normal domestic demand for steel in Canada is building up in a number of markets to the point where it is already, or shortly will be, taxing available supplies.

Here are some pointers:

● **Construction,** one of the biggest customers for steel, has recently begun to forge ahead in those categories which require most — institutional and commercial building. (From nails right through to the light structurals which are made in Canada, demand is quickening. Especially noticeable has been the increased rate of recent enquiries coming in to steel fabricating firms about proposed new building projects.)

● **Increasing demand from appliance makers, auto manufacturers** and auto part makers is an important factor in the rising demand for cold rolled sheets.

● **Steel requirements by agricultural equipment manufacturers** was at a record level earlier this year and has continued particularly brisk, while production of certain types of construction and earthmoving equipment made in Canada is maintaining a healthy rate.

● **Another big customer for certain types of steel — the packaging industry** with its expanding needs for cans, drums, etc. — is heading for a record year and taking up some of the surplus capacity which exists here.

There are, however, some other factors in the steel marketing picture which are less palatable to Canadian steel manufacturers and fabricators:

▸ **New business in railway car and in pipe and casing** continues to lack any real bounce.

▸ **Opening of the St. Lawrence Seaway,** because it affords reduced transportation and handling costs for steel products, has encouraged low-price, overseas steel producers to penetrate Canadian markets more deeply this year than before. Imports are substantially heavier this year than last.

▸ **Competitive materials like concrete, aluminum and certain lumber products** are making increasingly serious inroads into sections of the construction and other markets that were formerly the sole prerogative of steel.

Canadian mills supply about 65% to 70% of over-all domestic steel requirements. The rest has to be imported.

In some phases of steel production, Canada has capacity surplus to home needs.

It is virtually self-sufficient in tin plate, cold rolled strip, large diameter pipe, most stainless steels and special alloys.

It has been estimated that structural shape and plate capacity would take a 20% increase over the largest demand yet experienced.

But in others, notably wide flange structurals and some specialty steels, we have limited, if any, facilities and must buy most of these abroad.

It is against this pattern that one must put the currently quickening pace of demand and the threat of increasing foreign competition.

While consumption of steel per capita in Canada is the second highest in the world —about 775 lb. per head, as compared with 1,300 lb. in the U. S.—the biggest part of the market is concerned in areas bordering on the Seaway.

Ontario absorbs about 60% of our steel output and Quebec about 25%. The opening up of the Seaway means that foreign ocean-going ships can bring their cheaper steel products into the heart of the Great Lakes market without the former expensive overland haul or the transfer of cargoes into smaller vessels.

One major importer estimated that steel imports from West Europe including reinforcing bars, and wire products, etc., might go up 50% this year.

Prices of some of these products, it is reported, have been given at $3 a ton below Canadian prices.

But both steel manufacturers and fabricators are doing all they can to meet this competition. Many thousands of dollars have been and are being spent on research and huge investments have been made in the most modern machinery, and equipment and introduction of new technological processes.

Steel fabricators, who represent a $500 million segment of the steel industry, have expanded their facilities rapidly and brought in many operational improvements in welding, cutting, punching and drilling. They are looking for an 9% to 10% upturn in bookings this year over 1958.

Producers of stainless steels are now breaking into markets from which price and applications formerly more or less barred them.

This is most noticeable in construction where **Atlas Steels Ltd.** led the way when it completed two buildings last year, using a stainless steel curtain wall design.

Union Carbide Canada Ltd. will use stainless steel predominantly on exterior walls of its new Toronto headquarters and other major new building projects like the **Bank of Montreal** in Montreal, **Hamilton's** new City Hall and the **Prudential Insurance** Building in Toronto will feature it.

And in the new town of Thompson in Manitoba, to promote nickel-bearing stainless steel alloys in building construction, **International Nickel Co. of Canada** will use prefabricated wall sections faced with stainless steel on some buildings.

Construction and the railways together take up about one-third of domestic steel production. That is why another effort by the Canadian Institute of Steel Construction to promote steel use in building is of special importance to the whole industry.

The institute, which represents 44 structural steel fabricators and five plate fabricators across Canada with a capital investment of around $400 million, is backing a promotional campaign to restore steel to its dominant position in heavy construction.

Regional committees have been formed to help and plans are in hand to match the services to designers provided by competing structural material industries by way of readily available charts and tables, etc.

In other steel-making fields, the manufacturers report that flat rolled steel products are in tight supply with a seven-week delivery last reported on hot rolled sheet. Cold rolled and galvanized sheet are on allocation and booked solidly to the end of the second quarter.

The packaging industry with its wide range of demands on the steel industry in the form of oil drums, chemical containers, cans and so on, is one of the top consumers in the sheet steel field. Here one of the liveliest customers at present is the food industry in which production and sales are climbing steadily and fast.

The pick-up in sales of autos has also had a marked effect on demand for sheet steel. While the auto industry in Canada represents about 8% of demand for Canadian steel (as against about 25% in the U. S.) its health is of prime importance to an important section of the steel industry and its needs for steel in various forms arise from a tremendous range of finished products from ash trays to fan blades.

Also important in the sheet steel field is the appliance industry and, here again, rising demand for finished products is reflected in manufacturers' pressure on sheet steel sources. Shipments of items like washing machines, clothes dryers, and most domestic electrical appliances have increased sharply this year and most manufacturers look forward to maintaining production — and their steel inventories—at a high level.

The improvement in demand for agricultural implements and machinery which started last year has been gaining momentum steadily. Earlier this year, it reached a record peak, has since continued strong, and still shows no signs of falling back to early 1958 levels.

In much the same category, from the steel producer's point of view, is the construction and earthmoving equipment industry. This is a relatively small industry in Canada but in recent years, with the opening of a number of new plants, and the introduction of new lines, its steel requirements have more than doubled. The pick-up in the construction industry and especially the boom in housing last year brought brisk sales for such equipment and these are still good with the promise of further improvement soon.

For the steel producers, this means that two more important industrial customers are now buying strongly in a section of the basic steel industry which was hard hit in the recent recession.

STEEL STRAPPING

United Steel Sales Ltd., steel warehousing subsidiary of **United Steel Corp.,** has announced plans to enter the steel strapping business on a full-scale basis. The firm will sell the "Gewa" line of strapping devices. "We have the equipment and the merchandising experience to make this effort a success," company says. "Our plans call for a rapid expansion into all phases of the industry."

Production

(net tons)

	1957	1958	1959
STEEL INGOTS			
January	456,440	392,786	456,464
February	413,435	365,189	431,921
March	463,891	401,528	470,518
April	439,002	367,573	480,805
May	425,308	404,628	475,001
Totals by years			
1949		3,096,000	
1950		3,298,000	
1951		3,447,000	
1952		3,578,000	
1953		4,010,000	
1954		3,114,000	
1955		4,446,000	
1956		5,180,000	
1957		4,924,000	
1958		4,252,000	
PIG IRON			
January	304,896	260,519	299,284
February	291,741	232,564	282,642
March	334,710	268,032	350,600
April	324,961	254,970	366,838
May	336,684	287,688	371,507
Totals by years			
1949		2,154,000	
1950		2,317,000	
1951		2,553,000	
1952		2,682,000	
1953		3,012,000	
1954		2,211,000	
1955		3,215,000	
1956		3,568,000	
1957		3,718,000	
1958		3,061,000	

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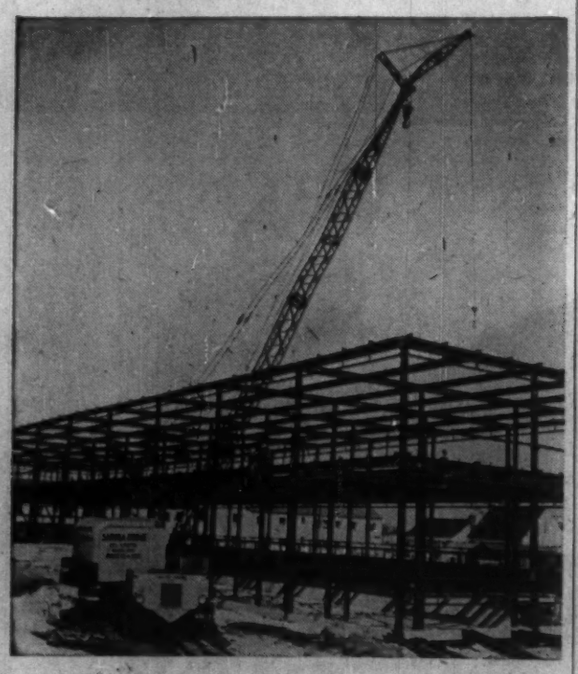

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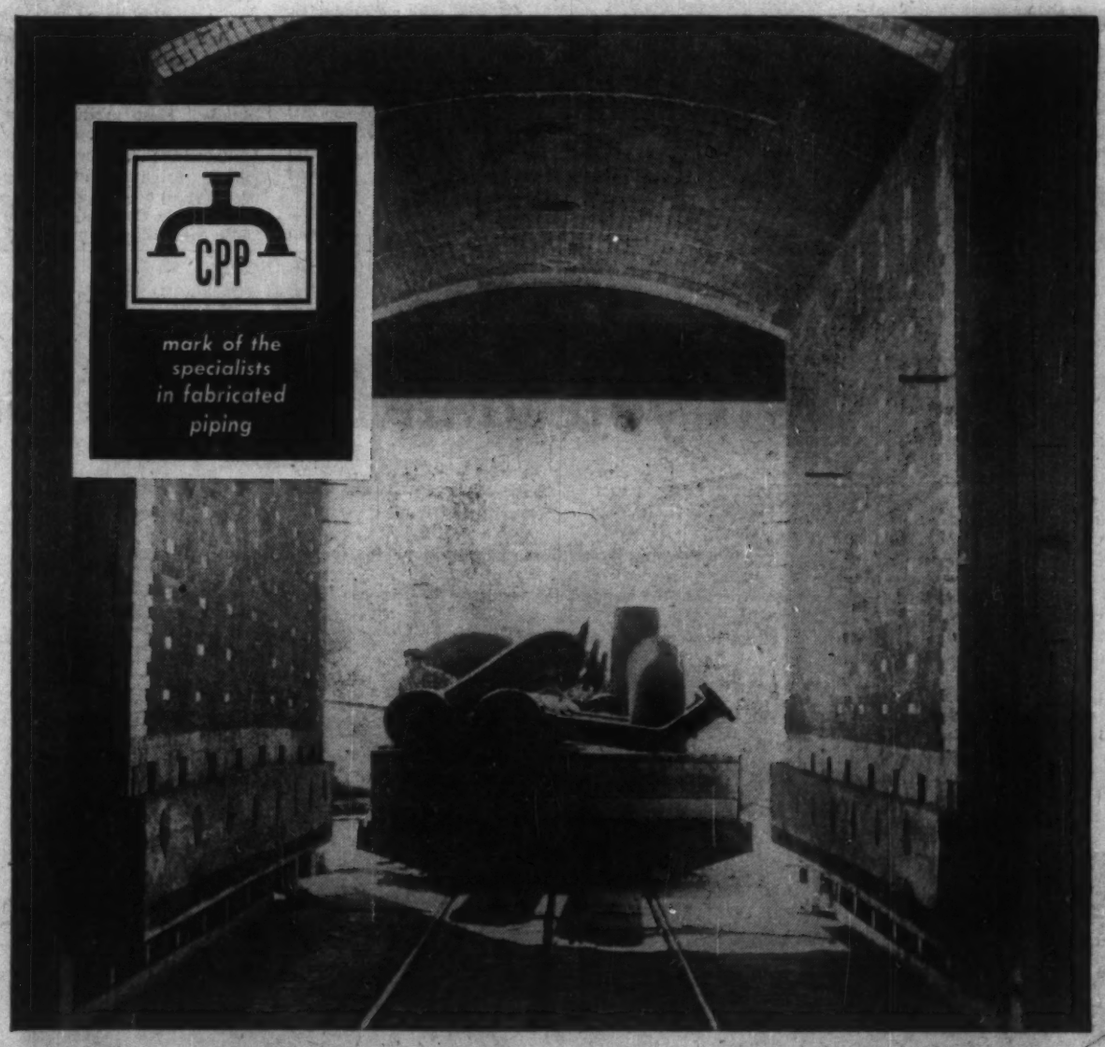

Giant furnace stress relieves piping —30 tons at a time

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LEACHING TANKS and permanent magnet drum thickeners in the leaching building of Inco's iron ore recovery plant, at Copper Cliff, Ont.

Treated Ore
Building Iron Boom

A revolution in steelmaking is building the base for a new boom in Canada's young iron ore industry.

As the trend toward use of treated iron ores accelerates, new projects to open new mines in Canada come off the drawing boards.

Today Canada ranks fourth in world production of iron ore, currently producing at a rate of something like 20 million tons. This is likely to almost double within the next few years as projects under way today go into production.

Major projects under way and practically all those planned involve the treating of raw ore in one way or another.

The purpose: to make a material tailored to the particular blast furnace using it. These special premium products whether sintered, concentrated or pelletized, are boosting blast furnace capacities 15%-25%.

Demand is so great for tailored furnace feed that even the major shippers of direct-shipping ore like **Iron Ore Co. of Canada** are starting to develop treatment plants.

IOCO in going ahead with development of its low-grade deposits at Carol Lake has by-passed large supplies of direct-shipping ore. **Steep Rock Iron Mines** this year has two ore treatment plants going and **Algoma Ore Properties** last year found ready markets for its sinter while the rest of the iron ore industry was set back hard by the recession in the U. S.

As this facet of the revolution in steelmaking picks up speed, there is another aspect that is just beginning to attract attention. It goes one step beyond treating lower-grade iron ore to make a better ore for a blast furnace.

This step eliminates the blast furnace. Throughout the world, researchers are working harder than ever on the direct reduction of ore into pig iron and semi-steel.

In one case—**Republic Steel Corp.** in the U. S.—powdered and purified iron ore was made into strip steel bypassing a whole series of operations.

There are almost as many processes as steel companies. So far, there is no one dominant process for the direct reduction of ore which has become an important production method.

Canada could prove the testing ground and work being done here might decide the future of steelmaking throughout the world.

Steel company executives, iron mining experts generally feel that no more blast furnaces will be built.

Existing furnaces will increase their capacity by improved techniques like the use of tailor-made ore. **Steel Co. of Canada** has got 90% more iron from an old blast furnace. But as world demand for steel rises, the pressure will increase for direct-reduction plants.

Canada, with its extensive sources of low-grade iron ores (billions of tons have been outlined in the past few years), large supplies of gas and electric power, the St. Lawrence Seaway as a gateway to both the U. S. and Europe, is in a favored position.

Actually, Canada has been a leader in direct-reduction research. The Ontario Research Foundation continues work on special processes, a small Quebec company is planning to use the Strategic-Udy process to make pig and there are properties in Ontario close to the **Trans-Canada Pipe Lines'** gas line which could explode into production if markets open up.

While Canadian iron ore shipments dropped 29% last year because of the recession in the U. S., sales have recovered and are expected to mushroom from 1960 ahead as far as steel authorities will look.

Major market will likely be the U. S. although Europe will probably take sizable quantities from eastern Canada. If major deposits could be found on the West Coast, the Japanese likely would step up their buying.

But it is to Canada that U. S. steel mills now look for their future iron supplies. These estimates by a U. S. authority of sources of iron for U. S. mills is based on a survey of requirements among steel plant executives.

It estimates that by 1960 the U. S. will be taking 10 million tons of Canadian iron. Over a period of five years this will quadruple to 40 million tons and by 1970 U. S. steel mills will want 60 million tons from Canada. From 1965 onward, Canada will be the main source of ore for U. S. furnaces.

The projection goes to 1988 when Canada is expected to supply 100 million tons a year.

But in view of the technological steps under way aimed at direct reduction of ore, such calculations could be upset to make Canada a supplier of pig and semi-steel ingots rather than ore, concentrates or pellets.

Already there is talk of giant steel complexes on the north shore of the Gulf of St. Lawrence using iron from Quebec and Labrador, power from such potential sources as Hamilton Falls in Labrador.

Meanwhile, in Quebec and Labrador some of Canada's major growth projects are under way. **United States Steel,** through its **Quebec Cartier** subsidiary is developing extensive iron deposits into towns, railroad, power plants, harbor and plants to produce as much as eight million tons of concentrates annually. First production is expected in 1961 from what is believed to be the largest single private undertaking yet carried out in Canada.

Iron Ore Company's Carol Lake work will mean six million tons of concentrates annually with first production coming late in 1962. It also means another new town and power plant for the Quebec-Labrador iron horseshoe.

Wabush Iron Co., leasing ground from **Canadian Javelin,** is also likely to go ahead. The group of companies including **Pickands-Mather, Steel Co. of Canada, Youngstown Sheet & Tube,** is retesting iron discoveries near the Carol Lake project.

Labrador Mining & Exploration could also get into the concentrating business. **Normanville Mining** (representing **Jones & Laughlin Steel** and **Cleveland Cliffs Iron Ore**) has a 99-year lease on a property in the Mount Wright area.

In Ungava Bay, efforts of a group of German companies led by **Krupp** and U. S. industrialist **Cyrus Eaton** interests continue to develop an iron concentrating centre which would supply German steel mills. The U. K.-owned **Rio Tinto Group** also has a large deposit through **Oceanic Iron Ores** which could feed U. K. mills some day.

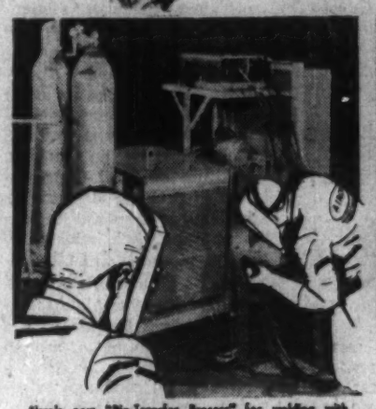
In Ontario, the most recent work is aimed at direct reduction to take advantage of natural gas. There are a whole string of iron deposits uncovered along the path of the main pipeline in northwestern Ontario. Largest and furthest developed is held by **Anaconda Mining** of the U. S.

Meanwhile, the lengthy

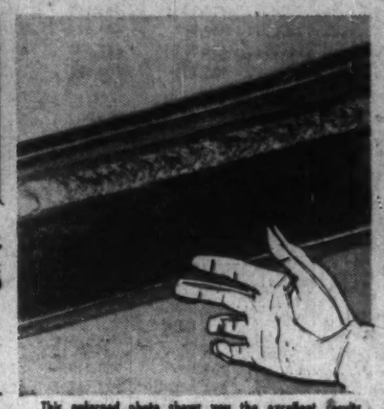
(Continued on Page 61)

AIRCO showed me their "DIP-TRANSFER CO_2 PROCESS" Way

to All-Position - High Speed - Low Cost mild steel welding with CO_2 shielding gas



Airco's new "Dip-Transfer Process" for welding with carbon dioxide shielding gas is great news for the welding trade. You can now weld overhead, vertical down/hand or up as well as horizontal fillets. Here is the complete unit all in one package – that can be moved anywhere in your shop by one man.



This enlarged photo shows you the excellent results obtained—vertical down. Because this new process utilizes the Airco Fillerarc power source spatter is reduced considerably.

Here is the BIG advantage one of many of the Dip-Transfer CO_2 Process: welds can be made in any position. Weld deposits, even out of position, are made with ease. The arc is fully visible to the operator as there is no flux involved. The welds have the highest X-ray qualities, and are of the very low hydrogen content type.

How here we have the heart of the "Dip-Transfer Process". The Airco "Fillerarc" is a 450 ampere, 100% duty cycle motor generator with rising volt-amperage characteristics. Holds constant arc length regardless of current changes. Built-in reactance achieves filler wire burn off at low average currents and at very low spatter levels.

Here is where you will notice a great saving in your operating cost. The Airco "Dip-Transfer Process" uses Airco "Hi-Grade" Carbon Dioxide gas for arc shielding. This high quality welding grade CO_2 saves you up to 80% of the cost of shielding gas when compared to Argon plus oxygen mixtures.

The third major component of the team is the new Aircomatic "Pull-Gun". The Aircomatic unit consists of the pull type gun, wire feed unit and control panel. These units combined on one carriage, make the "Airco Dip-Transfer CO_2 Process" the most modern, efficient welding tool of its kind available today.

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DOMINION BRIDGE

Dofasco

Seen Heading for Best Year Yet

Dominion Foundries & Steel, Hamilto.., Ont., may be heading for the best year yet in the company's history, surpassing even 1958, its biggest year.

With the exception of the steel foundry, the company is currently operating at close to 100% capacity.

The steel foundry is operating at lower level because it is primarily a railway specialty shop, depending mainly on equipment orders from the major railways. These have been pretty slack and, at the moment, the outlook is obscure.

Business is running well ahead of last year. The first six months of 1959 will be ahead of 1958 for the same period which was the best yet for Dofasco.

"Company order books are full for the third quarter," a Dofasco executive told **FP**. While the final quarter will determine the complete 1959 picture, at worst it will be a most satisfactory year.

The company now has an annual steel-making capacity of around one million ingot tons.

Completion of the present expansion program in both hot and cold rolling mills would balance the company's flat rolled steel production with ingot capacity, if business continues to improve.

This has been a bottleneck. The company can now produce the ingots but not the flat rolled products at the same rate.

Dofasco's current $25-million expansion program will be completed during the third quarter of this year.

The company is increasing the width of its steel plate from 48 in. to 60 in. With a new continuous hot mill due to come into operation shortly, plate will be available in thinner, hot-rolled gauges, up to 60-in.

A new cold mill will double the cold rolling capacity for 48-in. cold rolled sheets. This mill can be widened to 60-in., when wider widths of cold rolled sheets are in demand by Canadian users.

The foundation for this mill is one which will allow a five-stand set eventually. This means four additional cold rolling mills can be added, providing a five-stand continuous cold mill operation. Again, this would be installed when demand in Canada requires the additional production of cold-rolled sheets.

Research: One of the new products which Dofasco has developed is an asphalt-coated galvanized sheet used for culverts. When it goes on the market, this will mark another Dofasco first in new steel products for Canada.

What about the problem of foreign competition and the opening of the Seaway which will permit foreign shipping to carry European steel products as far as Duluth, Minn.?

Dofasco management feels that if imports of steel should seriously interfere with steel production and therefore employment in Canada, the federal government will take steps to correct the situation.

"We believe," a Dofasco executive said bluntly, "that some Canadian firms using imported steel are being penny-wise and pound foolish, both from the point of view of Canadian reciprocal business and as something which could ultimately damage their own business severely."

He pointed out that Canadian steel companies could buy their cranes and a great deal of other equipment in overseas markets. "It would be foolish of Canadian fabricators of steel to make a practice of purchasing foreign steel when they could buy in Canada."

His opinion: Savings by using foreign steel in, say, the steel structure for a large and expensive office building constitute a very small percentage of the building's total cost. More "sell" on the part of fabricators and steel producers would persuade building owners to continue to specify that Canadian steels be used.

Iron ore: Several years ago, there were fears of shortages. Today, Dofasco feels, there's excess capacity and a continent-wide surplus.

With completion of new expansion programs by the three Ontario steel companies, it's believed that there will be sufficient production to take care of Canada's steel requirements for many years to come.

If a U. S. steel strike should develop, Dofasco has its order books full, so gives no thought to filling any possible U. S. orders.

The only possible danger for Canadian mills from a U. S. strike: A shortage of iron ore because iron ore mines in the U. S. would shut down with the mills. At the moment, this is problematical.

A temporary problem only, Dofasco management hopes, is this:

The Seaway has created a serious problem in getting ore and coal boats through the Welland Canal due to the increase in the amount of foreign shipping. Ore and coal boats have now been given priority over other shipping.

The company ordered a third Oxyton plant from **L'Aire Liquide**, manufacturing affiliate of **Canadian Liquid Air Co.**, Montreal. Cost: around $2 million. Completion date: This month.

The new plant will have a capacity of 150 tons of oxygen per day and is the third one designed, constructed and installed for Dofasco within a five-year period by L'Aire Liquide.

In 1954, when Dofasco first started operating its oxygen steelmaking process, then completely new to this continent, original furnace capacity called for a 100-ton-per-day oxygen producing plant. This venture was so successful that oxygen capacity soon had to be doubled by addition of a second 100-ton oxygen unit. Dofasco since has operated both plants continuously and successfully.

With demand for its flat rolled sheet products increasing steadily each year, Dofasco has found in recent months that steel producing furnaces were occasionally outdistancing even the doubled oxygen capacity of 200 tons per day.

The company now has three 60-ton capacity oxygen steelmaking furnaces, employed on a rotation basis. Each heat requires around 40 min., in contrast to the much slower, though usually larger capacity, heats of conventional open hearths. Dofasco intends to increase its number of daily heats substantially.

A third Oxyton 150-ton-per-day unit will correct the current oxygen supply situation and also provide for the planned expansion in primary stage production.

On completion, Dofasco will be the largest oxygen producer in Canada, outstripping individual commercial producers and surpassing other Canadian steel mills and metallurgical plants using oxygen in tonnage volumes.

In the past five years, Dofasco has spent $60 million-$70 million on new installations. **Included:**

Four-Hi hot mill; pickle line; oxygen steelmaking plant; 56-in. cold mill; continuous galvanizing line; 70 additional coke ovens; No. two tower annealing line; No. two electrolytic tinning line; two-Hi hot mill; boilers and a third turbo blower; four new soaking pits.

The $25 million expenditure in equipment and buildings in 1959 is intended to balance the company's finishing equipment with its ingot-making capacity. This is taking place in two main locations:

Increase in hot rolling: Three continuous rolling stands are being installed, following the four-Hi mill, to allow the company to roll lighter gauges and wider widths of hot rolled sheets and increase the over-all capacity of the hot mill.

A second recoiler will also be installed, capable of handling larger coils. Coils will be discharged to the east and a run-out conveyor will cool them and take them away to storage.

An open area which was an ingot yard has been roofed in and will contain the plate finishing department.

New buildings now under construction, along with existing buildings, will become the cold rolled sheet division. Main plant will concentrate on tin mill products such as tin plant and tin mill black plate, etc.

This will separate tin mill production and cold rolled sheet production which, until now, have been produced in the same area. Separation of these operations will prove more efficient.

Cold mills, Dofasco reports, while running at full speed, are proving a bottleneck. To correct this:

A second 56-in. cold mill will go in next to the first one and will be installed in such a way that additional stands can be added in the future.

With this mill a new hot coil storage building and another pickle line are being installed. The new pickle line will be bigger than the present one and capable of pickling 60-in. wide strip.

The additional cold rolled steel from this new mill will require annealing and additional annealing facilities will be built.

No. 2 temper mill will be relocated to temper this new steel. This mill will also be widened and speeded up, then placed along with the shearing lines in another new building near the 56-in. mills.

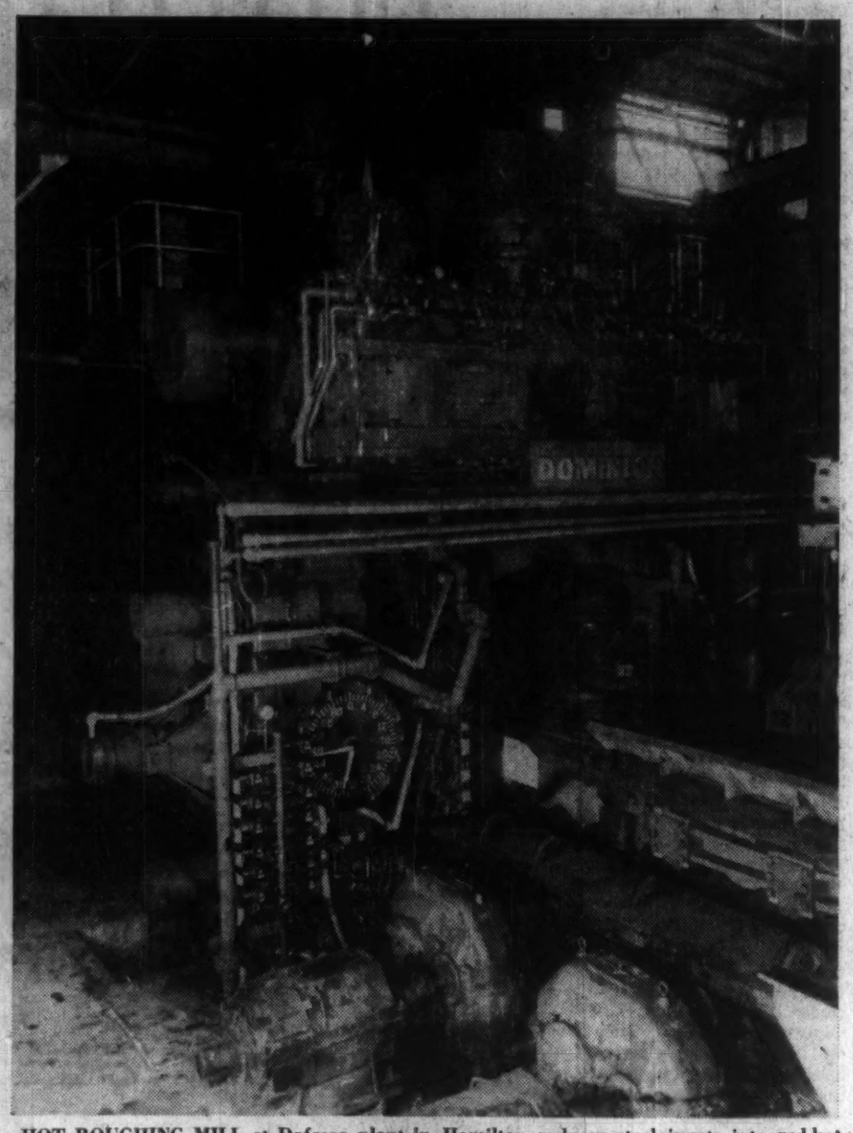
A new shear line for hot rolled sheets will be erected at the main plant when the temper mill and existing shearing lines are moved out. This new line will be able to shear hot rolled sheets up to 60-in. wide.

Continuous galvanizing division building is being extended another four bays to increase shipping space.

Dofasco attributes its biggest year, 1958, to these factors.

- **A profit-sharing organization,** it feels that all-out cooperation of all its personnel is mainly responsible for the company's success.
- **The millions spent for modern, steel-producing equipment,** has meant increased efficiency and is the second big factor.
- **A general over-all improvement** in business in Canada.

Ahead: Dofasco plans continued diversification of products to hold its position in the Canadian steel industry.



HOT ROUGHING MILL at Dofasco plant in Hamilton reduces steel ingots into red-hot strips, passes them to another mill for rolling.

Building New Iron Boom

(CONTINUED FROM P. 60)

project of **Inland Steel** to get its Caland Ore property near Steep Rock into production is nearing completion. This will involve at least three million tons annually of direct-shipping ore.

There are plans being studied to mine iron on Hudson Bay and the Belcher Islands with ore to be treated at a possible port at Moosonee, and many small properties could be brought into production quickly in Ontario as is being done on the West Coast where Japanese steel makers have been arranging small contracts.

In Saskatchewan work is under way on large underground deposits of iron with a view to supplying a possible steel industry which might develop on the prairies. And **Consolidated Mining & Smelting** has decided to go ahead with a project to make pig iron from Kimberly mine tailings after many years of consideration and study.

Iron is considered the basic raw material for an industrial nation. Canada has lots of it. Now the effort is to put it to work.

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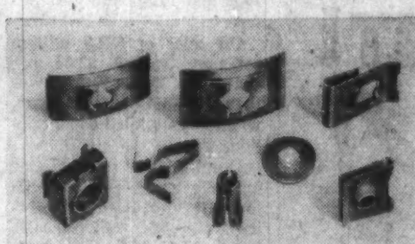

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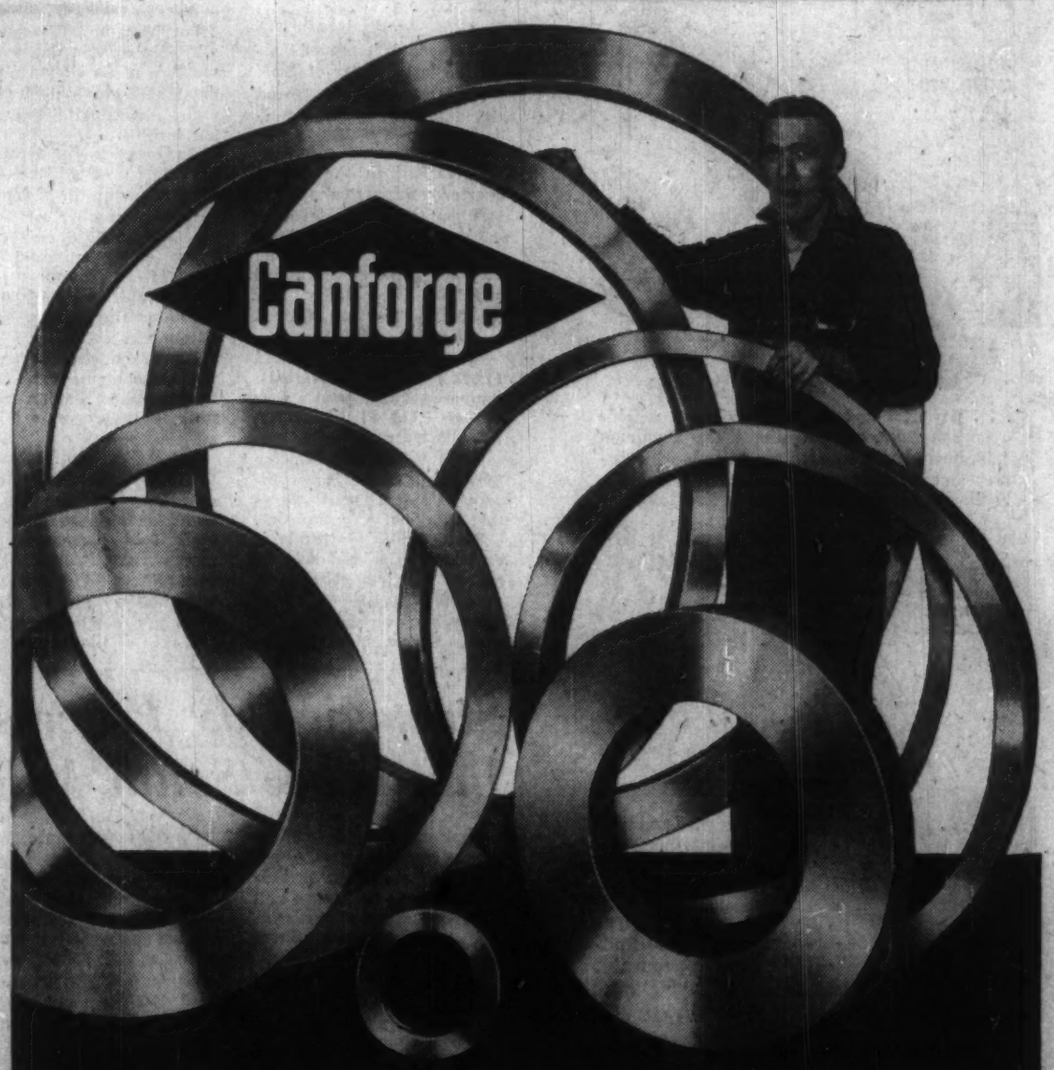

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Atlas Steels

Increases Sales-Profit Ratio

Transformed by World War II from a small, successful producer of specialty steels into the largest such enterprise in the British Commonwealth, **Atlas Steels Ltd.** recently made a bold move to gain a much greater share of the Canadian market for No. 1 finish stainless steel sheet and plate.

By cutting selling prices 15% to 20%, company hopes to gain some 90% of the entire domestic market for this product.

At present, Atlas has about 35% of the market, which in turn represents some 35%-50% of the total stainless steel sheet market.

The price cuts are a direct result of the continuous casting process installed and pioneered by Atlas in 1954. After several years operations, it is now an integral part of production at the Welland plant.

The first such commercial installation in North America, the process bypasses the conventional ingot mold stage in steelmaking. It permits steel to be cast into slab form directly from the melting stage which provides higher yields of usable steel per ton melted.

No. 1 finish stainless steel has a variety of end uses throughout industry and the pulp and paper, chemical and petroleum industries are among the principal consumers.

First quarter earnings per share of Atlas Steels of 89c were more than triple 27c in the comparable 1958 period, and were the best quarterly results since the 97c per share earned in the first quarter 1957.

Sales totaled $11.4 million compared with $7.4 million a year ago and $10.3 million two years ago.

Ratio of profit (after taxes) to sales was 9.5%, against 3.9% in first quarter 1958 and 10.2% the year before.

On sales of $32.9 million company earned $2.04 per share in 1958, 18% lower than 1957's $2.49 per share, when sales totaled $43.2 million.

Despite lower sales volume in 1958, which reflected the lower level of business activity, ratio of profit to sales improved to 6.7% from 6.2% in 1957.

This improvement resulted from careful planning and close control of operations, says President H. George DeYoung. Budgetary control was strictly applied through the setting and meeting of cost reduction targets by divisions.

A carefully planned purchasing policy for raw materials and supplies was successful and resulted in maintenance of a balanced inventory.

(As business improved during the last quarter of 1958, inventories were increased and amounted to $10.8 million at year-end, 13% above the 1957 figure).

Operations in the second quarter this year were at about the same level as the first three months. Company is currently operating about 35% above its rate in mid-1958. The latter rate was 55% of the peak attained in the middle of 1957.

Employment totals 2,144 (1,603 hourly, 541 salaried), compared with a total a year ago of 1,773 (1,300 hourly, 473 salaried).

On the outlook for the second half of the year, company's management states that it is "not as optimistic".

Basis for this attitude is contained in a brief submitted to the federal government last March. The brief urged the government to implement new tariff policies and aid-to-exports programs. It pointed out that the company's employment costs account for 30% of sales revenues, thus limiting its export markets. Premium on the Canadian dollar doesn't help either.

The brief said:

"Present indications are that the future of Atlas exports from Welland is bleak. (Until recent years exports accounted for 25% of company's production.)

"Since 1957, half the volume and virtually all the profit from export sales have been lost and export will soon be a negligible portion of total Atlas production. The resulting effect on employment is obvious."

Atlas urged the government to:

- **Adjust tariffs** in line with developing secondary industry.
- **End the unrestricted volume of importing.**
- **Introduce a "Buy Canadian" policy** for purchases by all government agencies.
- **Clarify defence policy.**
- **Offer tax relief on income from export sales.**
- **Give financing assistance** for exports of Canadian-made goods.
- **Consider direct government financing** of steel production on the pattern of the U.K., Australia, South Africa, Sweden and India.

The brief also pointed out that while the company is no longer primarily a "war plant," its products are indissolubly linked to Canadian programs of defence production. Present facilities represent, at least as far ahead as management can see, a definite national asset in terms of defence preparedness.

Atlas management, therefore, is directly concerned with the character and volume of Canadian defence production and with the decisions which have been made and must continue to be made in Ottawa.

To help combat declining exports and stiffening competition, Atlas in 1957 acquired a 30% interest in **Usines Gilson S.A.** of La Croyere, Belgium, a 75-year-old company with similar melting and rolling facilities.

An exchange of technical personnel assisted the Belgian company in manufacturing a number of Atlas specialty steels during 1958. These steels are sold and serviced in European and other countries by a jointly-owned sales company, **Atlas Gilson Steels S.A.**

Due to changes in organization and equipment and other factors, the Belgian company did not operate profitably last year.

Atlas Titanium Ltd., controlled by Atlas Steels, made a profit in 1958 although demand for titanium in the aircraft field decreased. Research and development continue in co-operation with **Mallory Sharon Metals Corp.** to expand the commercial uses of titanium.

Two companies operate abroad for the sale and servicing of Atlas products. **Aceromex Atlas S.A.** is located in Mexico City and **Canatlas Steels (England)** near London serves the U.K. and some countries on the continent.

Two extensive research programs were undertaken by Atlas in 1958: One for developing ultra high strength steels and the other for steels with resistance to high temperature.

Four new grades of steel were taken out of the development stage in 1958 and added to regular production. They were:

- **Duraline,** a hot work tool steel used in the extrusion industry.
- **Non-Mag,** for the electrical industry.
- **CW 26,** for lamination and ceramic molding dies.
- **Temper Die 40,** for mold dies for the plastic industry.

Company's promotion of the use of stainless steel for construction in Canada may well prove to be one of its most important undertakings.

Its new administration building, completed in June, 1958, was the first in Canada to be built using stainless steel curtain wall.

Atlas has set up an Architectural Development Department to promote the use of stainless steel curtain wall.

During 1958 this department assisted architects, builders and fabricators responsible for building of 12 large structures which definitely specified stainless steel. The department also worked closely in the development of stainless steel for banks and commercial buildings.

Capital expenditures totaled $1.3 million in 1958 ($3.4 million in 1957) and included completion of the administration building, strip mill facilities and a warehouse in Montreal. Construction of a new warehouse started in Winnipeg.

In 1957 company installed a second annealing and pickling line and an additional Sendzimir cold rolling mill. This equipment enlarges capacity in stainless strip and permits rolling of thinner gauge strip.

Other features of the Welland plant: Modern electronic sampling equipment for improved speed and accuracy in control of steel specifications; a planetary hot rolling mill which is unique in Canada; a seamless tube mill.

Company changed its organizational structure earlier this year to more effectively co-ordinate its world-wide operations. Hereafter it will operate under two divisions, the Atlas North American and Atlas International Divisions, both reporting to the president of Atlas Steels.

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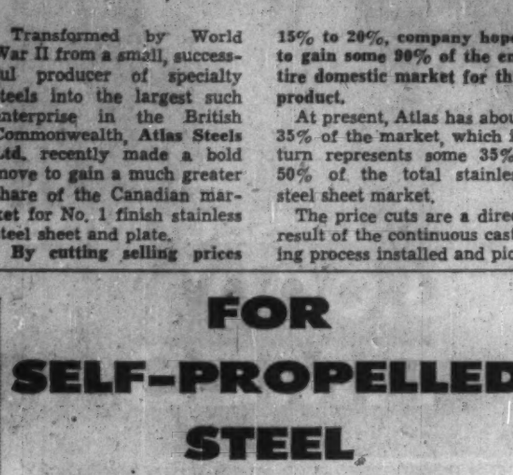

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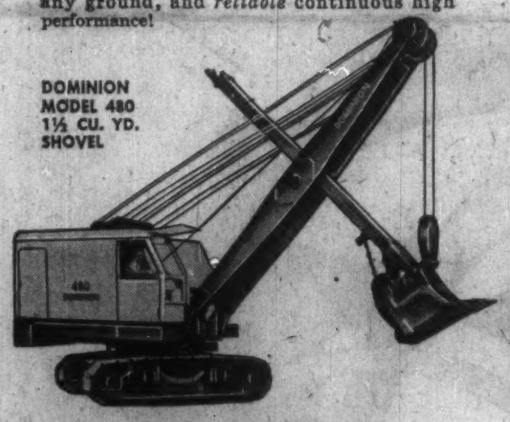

... powerful and ruggedly built for reliable operation under *any* conditions! The Dominion 480 Shovel has graduated air controls for accuracy and easy operation, is extremely manoeuverable—takes the biggest jobs in its stride!

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Strategic-Udy Process In Quebec South Mill

First commercial application of the Strategic-Udy direct iron reduction process will be in the basic steel mill to be constructed at Varennes, Que., by **Quebec South Shore Steel Corp.**

New Mylamaque Mines also proposes to use this process to treat ore from its property near Kingston, Ont.

The Strategic-Udy direct iron reduction process is a smelting technique using a direct-fired rotary kiln for partial prereduction of iron ore before charging to an electric arc smelting furnace.

A substantial portion of the heat required for the prereducing and preheating of the iron ore in the kiln is supplied by burning the carbon monoxide gas produced from the reduction reactions of the electric arc smelting furnace.

A mixture of iron ore, flux and carbonaceous reductant is continuously fed to the rotary kiln. During the operation, the iron ore is heated, calcined, and prereduced and the flux (limestone or dolomite) is calcined and combined chemically with the ore.

The maximum temperature of the free-flowing discharge from the kiln is controlled at some temperature between 1,800 deg. and 2,300 deg. F., varying for different ores.

Beyond this temperature, the hot charge material starts to cake and adhere to the walls of the kiln forming a ring. Sufficient coal is added to the kiln to accomplish the two-step reduction that is required.

The coal which is not utilized in the prereduction or burnt in the kiln is "coked" in the kiln and passes out with the prereduced material for use as a preheated reductant in the electric smelting step.

To save thermal and electrical energy, the hot prereduced ore from the kiln is charged directly to the smelting zone of the electric smelting furnace through insulated feed control bins and controlled feeders.

The process employs an open bath technique with the electrodes from one half inch above the molten slag to three inches submerged in the slag, depending upon the needs of the particular operation. The charge material en-

(Continued on page 68)

STEEL

No Other Industry Employs So Many Canadians

At November 1st, 1958, more Canadians were employed in the manufacture of Iron and Steel products than in the manufacture of anything else. Here are the official figures for 1958:

Iron and Steel Products	156,007
Food and Beverages	154,771
Transportation Equipment	134,086
Clothing	94,443
Wood Products	91,863

In 1957, the manufacturers of Canadian Iron and Steel products paid out over 805 million dollars in wages and salaries. A large percentage of this money was spent in Canada on the products of other Canadian manufacturers. When you buy Canadian Steel Products, you help to ensure full employment for Canadian Steel Workers, and they help to keep many other Canadian industries busy and productive. And you can be sure of quality, on-the-spot service, and a reliable source for your future requirements.

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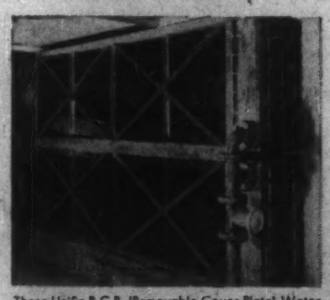

These Unifin R.C.P. (Removable Cover Plate) Water Cooling Coils were installed more than 15 years ago at Atlas Steels Limited, Welland, Ontario, to cool the motor generator sets supplying power to the main rolling mills.

The majority of the electrical equipment installed in recent years to drive new rolling equipment in Canadian steel mills is cooled by Unifin Cooling Coils. The basic component of these blast coils is Unifin "Copperline" finned tubing—a copper tube encased in an integrally-finned aluminum tube.

Compared with all types of finned tubing on which the fins are mechanically bonded to the tube, Unifin's unique structure (the fins are pressed out from the metal of the tube wall itself) offers superior heat transfer, longer life, and reduced maintenance.

For heating, cooling, and drying applications—and in fact for heat transfer applications of all kinds—it is almost certain that Unifin could prove of benefit to you. Why not talk over your problem with a Unifin engineer? Write to:—

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Make Oxygen at Mill

New unit produces gaseous oxygen on site

A new gaseous oxygen producing unit has successfully completed its test period and is now in regular production at **Algoma Steel Corp.**, Sault Ste. Marie, Ont.

A good example of industrial co-operation, the oxygen production unit is owned, built and operated by **Linde Co., Division of Union Carbide Canada Ltd.**, yet is wholly used in the service of Algoma's steel - producing mill.

The new unit delivers oxygen to a pipeline at the rate of 150,000 cu. ft. per hr. of 99.5% pure oxygen.

This oxygen is used in the L-D process, as well as for bloom scarfing and other mill operations. The one oxygen unit produces oxygen at a delivery rate of 150 tons a day.

Liquid oxygen from standby storage is also available to feed to the pipeline whenever Algoma's requirements exceed tonnage plant production.

To ensure a continuous supply of oxygen when necessary repair and maintenance shuts down the unit:

- **A 10-hr. reserve (between 1.5 million cu. ft. to three million cu. ft.** will be stored in two 1.5-million cu. ft. storage tanks.
- **The reserve will be built up by a separate production unit** of liquid oxygen.

But high purity oxygen supply is not limited by either production or storage.

Linde can provide additional high purity oxygen by tank car or tank truck shipments from its nation-wide system of liquid oxygen producing plants.

The Sault Ste. Marie unit is Linde's method of meeting the oxygen requirements of the steel and other industries. Key to the Linde supply system is the one-customer production unit located adjacent to the user's own plant.

In the U. S., Linde's on-site plants, already on stream or under construction, are adding significantly to oxygen production for steel and chemical manufacturers.

These units range in capacity from 10 tons to hundreds of tons per day.

Investment burden in oxygen production units is considerable but Linde claims its system relieves industry of the necessity of freezing capital funds in such auxiliary plants.

Linde spends its own money to build oxygen plants, retains ownership of them (thus assuming the risks of obsolescence, which are said to be high in this industry) and responsibility of maintenance and efficiency of performance.

It also contracts to supply oxygen to the mill as it is needed.

On the other hand, a company like **Dominion Foundries & Steel Ltd.**, Hamilton, Ont., has two oxygen plants in operation, with a third scheduled to go into operation this month.

All three are designed, constructed and installed by **L'Air Liquide**, manufacturing affiliate of **Canadian Liquid Air Co.**, Montreal.

Once installed, Dofasco owns and operates the plants with its own staff.

Two factors inherent in mill practice and oxygen production require assurance of resources of supply over and above the maximum economical production of any unit, Linde engineers state:

Metallurgical oxygen consumption is peculiarly subject to short periods of extremely high demand.

Oxygen - producing units produce more or less steady quantities of the gas.

Linde backs up on-site production with its nation-wide Driox oxygen system of liquid oxygen production and distribution.

This system is always available to satisfy mill demand which continues even during unavoidable downtime for repair and maintenance of any oxygen producing unit.

An example of handling almost any demand:

This spring Algoma's management requested the use of oxygen in its L-D furnaces which called for up to 300,000 cu. ft. per hr. of oxygen over and above the normal daily requirements of the mill, at varying intervals.

During this period, this demand was readily satisfied with Driox oxygen.

Neither Linde nor Algoma had to make significant capital investments during this period as the liquid-producing storage and distribution facilities, located at Sault Ste. Marie, were more than adequate to meet Algoma's demands.

Some of the highlights of the oxygen plant:

Plant production: (ratings based on conditions of not over 90 deg. F. ambient temperature; 85% relative humidity; not less than 14.4 psia): 99.5% oxygen; hourly production of 151,000 cu. ft. with a pipeline pressure of 150 psig.

One ton of 99.5% oxygen equals 24,150 cu. ft.

A 12,400 cfm, 81.2 psig centrifugal air compressor powers the unit.

Compressor incorporates inter- and after-coolers; oil coolers and electrically-driven auxiliary oil pump and necessary auxiliaries.

Compression of high purity oxygen is achieved by three-stage, double-acting oxygen compressors.

At present, the steel industry uses a large proportion of all the high purity oxygen produced by Linde.

In a one: four: five ratio, about one part is used for welding, cutting and scrap preparation; five parts are used for scarfing operations; four parts are used metallurgically.

In future, it's probable that metallurgical uses will demand a larger proportion of the total.

At least two other industries are incorporating oxygen usage in basic processes.

The chemical industry is expanding its uses for tonnage oxygen in synthesis gas manufacture and other basic processes.

Liquid oxygen is also used extensively in the rockets and missile field as a fuel component.

When production stream from the producing plant is cut off in the Algoma installation, it is automatically replaced by an equivalent flow of oxygen from two 1.5 cu. ft. storage tanks.

Basically, the L-D steelmaking process at both Algoma and Dofasco is the same.

Algoma has installed two 80-ton furnaces, only one of which is operated at one time.

Dofasco operates three 60 ton furnaces, employed on a rotation basis.

The 150-ton per day Linde oxygen plant supplies all of Algoma's requirements.

Dofasco has two 100-ton Oxyton plants made by **L'Air Liquide**, manufacturing affiliate of **Canadian Liquid Air Co.**, and a third 150 ton Oxyton unit goes into operation at the company's Hamilton, Ont., mill this month.

Algoma Steel uses the L-D oxygen steelmaking process in addition to its open hearth furnaces. **Steel Co. of Canada** hasn't adopted the L-D process and is using open hearth operation.

Stelco is currently installing an additional open hearth furnace to enlarge its steelmaking capacity.

It is also investigating the use of open hearth roof jets in its 300 ton open hearth furnaces which will simulate the L-D reaction in the open hearth.

Major differences between the L-D and the open hearth is in the operating times involved and in the charges used in the furnaces themselves.

Generally, the L-D process utilizes a greater percentage of hot metal in the charge.

Total time of the L-D process is approximately 55 min., to produce the 80-ton charge in the L-D vessel.

Around 10-11 hrs. are required to produce a 300 ton open hearth heat. This will be reduced substantially with introduction of open hearth oxygen roof jets.

Algoma Steel was faced with the problem of increasing ingot capacity. After a study of the various steelmaking methods, it was decided to use the new basic oxygen steelmaking process.

Here's an Algoma report on the success of its new process:

Algoma's new basic oxygen steel plant went into operation in October, 1958, with two furnaces each with capacity of 80 tons. This has provided a capacity of some 400,000 additional tons per year, which is roughly one quarter of Algoma's ingot producing capacity.

Provisions have been made in the plant layout for a third furnace at some future time. Currently, heat size averages 100 net tons.

The basic oxygen steel process was developed by Voest at Lintz, Austria, and after several years of experimental and pilot plant operation, regular production was started in November, 1952.

A few years later Dominion Foundries & Steel, in Hamilton, also installed, after some development work, the first production equipment for steel made by this process in North America.

While it can be said that this process is new to the industry, it involves no new theoretical concepts.

Fundamentally, the oxygen steelmaking process consists of refining the charge of liquid iron in a furnace lined with basic refractories, using only pure oxygen as a fuel.

Practically, some scrap is also charged for cooling purposes, and burnt lime is added for proper slag balancing; but no carbonaceous fuel of any kind is required to heat the charge. The absence of a supplementary fuel is possibly the only real operational difference between the basic oxygen and basic open hearth processes.

Since the start-up of this new steelmaking unit, variation in scrap make-up of heats has been investigated.

Indications are that the scrap percentage can be varied from practically nothing to well over a third of the total metallic charge.

At very low scrap usages the difference in metallic charge is made up by increasing the liquid pig iron charge and by the addition of temperature compensators such as ore, sinter, scale or limestone.

The heat of oxidation of carbon and silicon in the liquid charge is sufficient to provide the steelmaking temperatures required for the refining operation.

Oxygen with a purity in excess of 99.5% is directed upon the surface of the charge from a water-cooled lance which is positioned vertically in the furnace.

A considerable degree of control over the rate of oxidation is obtainable by adjusting the height of the lance above the metal bath.

At the conclusion of the refining period the oxygen is turned off and the lance removed from the furnace, and the heat is finished in a manner very similar to the open hearth process; that is, samples are taken and alloying additions are made to either the furnace or the ladle to produce the desired metal composition.

The greatest portion of the production of oxygen steel has been for low carbon rolled steel and products for which this process was originally thought to be best suited.

The diversity of end products of Algoma Steel has permitted the study of the production of other grades.

A considerable proportion of the Algoma production today is in 0.20 to 0.30 range carbon, encompassing the structural grades of steel, while many heats are made with varying carbon contents up to 0.95 for a wide variety of end uses.

Also, while Algoma is not a large alloy producer, perhaps 2% to 3% are alloy grades; alloy steel heats are made by this process.

At the present time there appears to be no limit to the type of steel that can be produced by this process and, in fact, it would appear that some grades may be produced by the oxygen process that would not normally be economical in the open hearth.

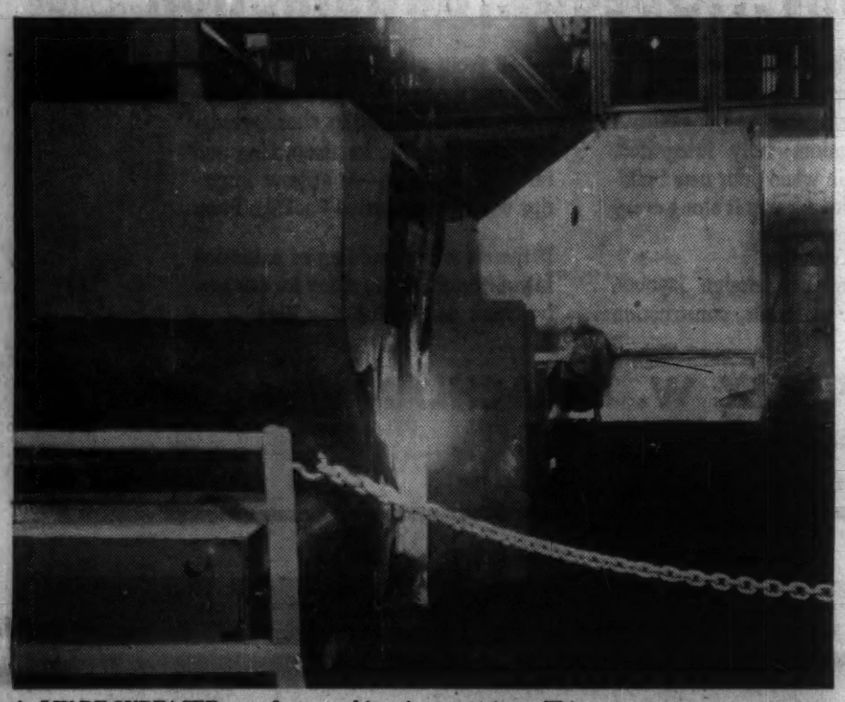
The decision of Algoma to use the basic oxygen process was based on several factors. The first factor is purely economic in that the initial capital expenditure for steelmaking capacity by this process is considerably less than that required for a simpler open hearth capacity.

Furthermore, there were some indications that the operating cost of this process might be somewhat less than that for the open hearth for heat sizes near 100 tons.

The second consideration is that of quality. Considerable testing in Austria, by **Dominion Foundries in Canada**, and by Algoma itself indicated that in no case was the quality less than that of a similar open hearth grade.

After a comparison of 400 basic oxygen heats and 400 open hearth heats of similar types, it is seen by statistical graphs that the nitrogen con-

(Continued on page 67)



A LIN-DE-SURFACER scarfing machine in operation. This process uses oxyacetylene flames to simultaneously "peel off" surface defects on all four sides of steel blooms.

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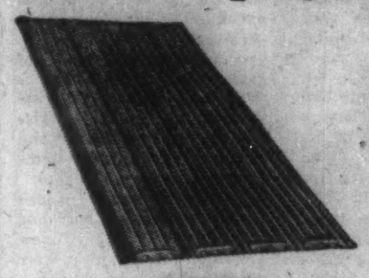

In 1861 the Pedlar People began on a small scale to build metal products in Oshawa. Their high quality, fine craftsmanship and sturdy construction won them immediate acceptance. Today, almost 100 years later, Pedlar has grown to become one of Canada's largest producers of metal products, with five large factories and several distribution centres to serve the entire country. Pedlar products are still acclaimed everywhere where men want to build better.

You'll find Pedlar products in almost every field of industrial endeavour — in construction, in roadbuilding, in mines and plants, on farms — wherever strength, durability and top design are essential. That's why, wherever you see men engaged in building a better Canada, you'll probably find Pedlar products helping out.

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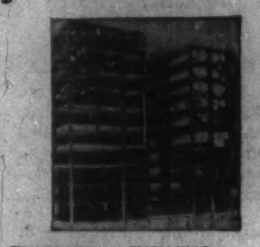

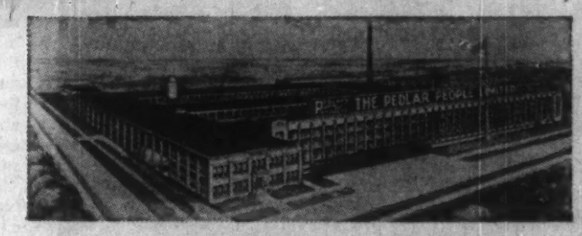

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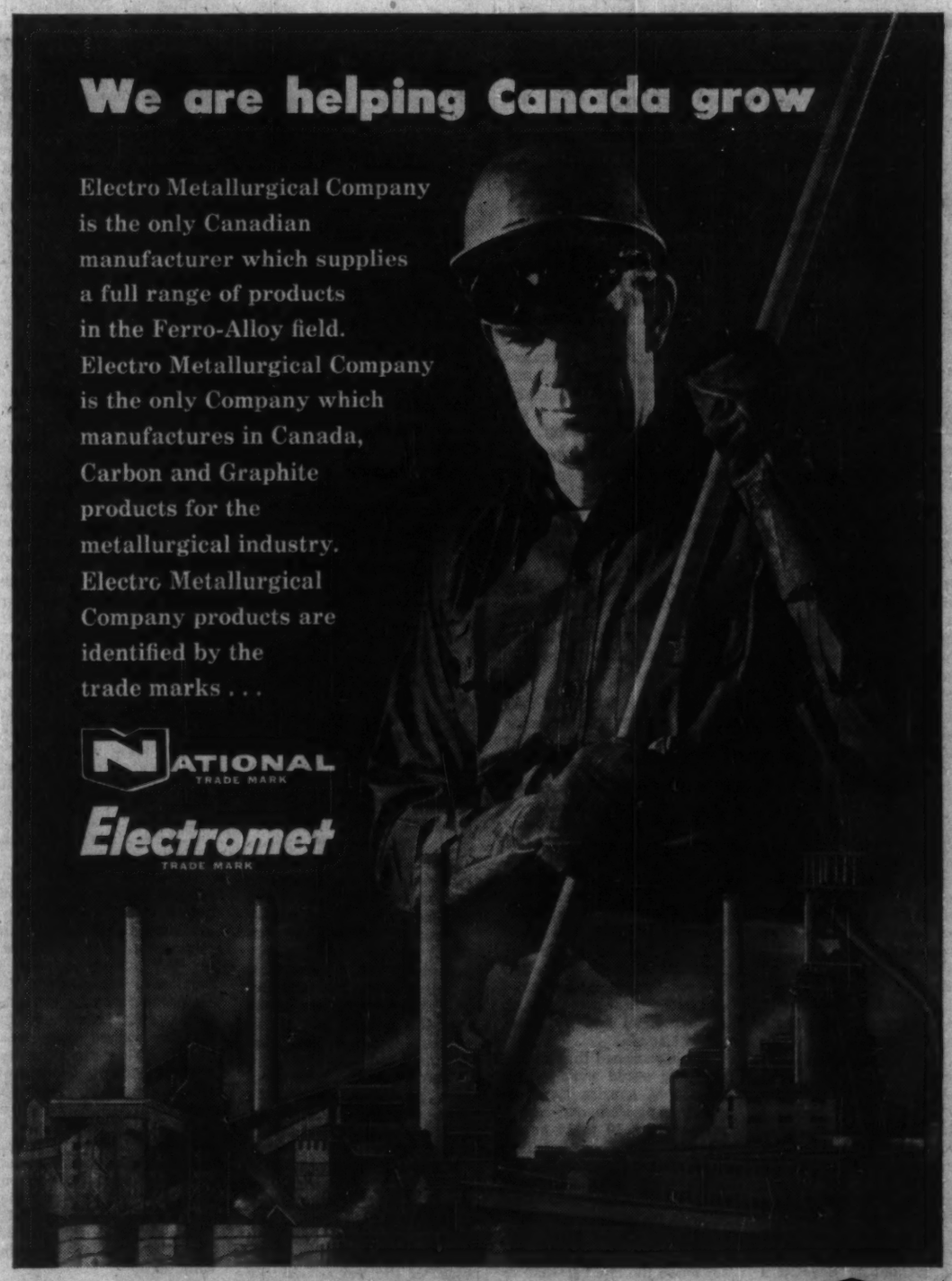

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Oxygen Boosts Output

Plays growing role in steel-making processes

By R. N. SCHMIDT
Manager, production,
Linde Co. Division of
Union Carbide Canada Ltd.

No account of the steel industry's rapid progress in recent years would be complete without a report on oxygen and its growing role in modern steel-making processes.

Steel mills are seeking new ways to boost capacities of existing equipment, increase operating efficiencies and to improve quality of their products.

Many have found solutions to these problems through increased use of oxygen.

For a better understanding of the potential opportunities that lie ahead, it's appropriate to review how the growth of air-separation technology has paced the steel industry's use of oxygen.

STELCO GETS approximately 15½ tons of coke from each oven after charging about 17 tons of coal into the oven.

Today, for example, Linde's on-site oxygen plants are supplying steadily increasing volume of oxygen—for established uses such as cutting, lancing, hand-scarfing, and machine-conditioning, plus a truly remarkable surge in use of oxygen in open hearth and electric furnaces.

Oxygen-blown steel furnaces such as the Linz-Donawitz converter completely substitute oxygen for air.

A statistical yardstick of the soaring demand for oxygen in the steel industry is indicated by the oxygen-ingot ratio—that is, the number of cubic feet of oxygen used over-all in the production of a ton of steel ingot, up to the time it leaves the mill.

Oxygen-ingot ratios have increased steadily over the years. In three typical Canadian mills, the average oxygen ingot ratio in 1950 was in the order of 100.

This ratio has steadily increased to approximately 600 in 1958.

By 1960, with the increasing use of metallurgical oxygen processes by these three Canadian mills, this oxygen ingot ratio will undoubtedly average around 1000. In one of these Canadian mills, the oxygen ingot ratio is already well over this figure.

It is also significant to note that the oxygen-ingot ratio increased throughout the recession period when cutbacks and economy measures were the order of the day.

This is quite an impressive record considering that oxygen processing got its start in steel-making only two decades ago.

It's a record that would not have been possible without the rapid technological progress in cryogenics that has made oxygen available in larger quantities, at lower costs, from highly reliable production facilities.

Soon after the first experiments indicated the potential economic benefits of oxygen additions to the combustion zone of open-hearth furnaces and to the baths of open-hearth and electric furnaces, Linde set out to develop a whole new family of air-separation plants engineered to produce tonnage quantities of gaseous oxygen economically and dependably.

The ability today to obtain 100 tons, 500 tons, or even 1,000 tons of oxygen a day merely by opening the valves is in startling contrast to oxygen production methods of 20 years ago.

Today, on-stream availability factors closely approach 100% and most outages which do occur are for thaw-outs and preventive maintenance and are scheduled in advance to coincide with periods of least demand.

Even during outages, oxygen for processes which must go on can be provided by a company like Linde from its regular liquid production and distribution system.

In the early days of the oxygen business, however, much less was known about the mechanics of air separation, and the available machinery was often costly, inefficient, and expensive to maintain. Many of today's automatic controls were unavailable, and therefore constant supervision and a considerable number of operating personnel were required. Also, facilities for maintenance and repair occupied a generous share of the plant building.

Operators had to be continually alert to compensate for upsets and unbalances occurring in the columns and heat exchangers which would cause fluctuations in product purity, for freeze-ups from accumulated ice and solid CO_2 for dangerous concentrations of hydrocarbons in the system, as well as breakdowns in a considerable number of reciprocating engines, pumps, compressors, and other motive equipment.

Supplying the large volumes of oxygen demanded by the new metallurgical processes demanded new concepts in the sale of oxygen, and new plant designs to produce oxygen.

Ideally, such a new plant should be able to:

- **Operate automatically,** without attendant labor or supervision.
- **Follow the peaks and valleys** of mill oxygen demands on an hourly, daily, and monthly basis.
- **Monitor the purity of the product** it was making — keep tabs on its own operation, and shut itself down and call for help if any unsafe condition began to develop but continue to supply oxygen continuously and without interruption during the interval required to repair the malfunction. Such plants are in operation, supplying oxygen under these principles, to **Algoma Steel** and the **Steel Co. of Canada.**

Linde reasoned that a steel producer would want to buy oxygen at a price fixed, as nearly as possible, over a long term — say 10 to 15 years. He would still, however, like to be able to take advantage of any reductions in the cost of electric power needed to operate the plant which new technology might bring. Furthermore, he would like to "share the risk" so that he would pay fewer dollars when he used less oxygen, and more dollars when he used more, on the theory that when he used more, he was making more steel and had more dollars coming in. Also, when he was shut down by strikes or disasters, he would like to pay only the very minimum fixed capital charges.

Most important, Linde felt the steel producer would like to do all this without having to invest any money of his own in oxygen plants, as he had plenty of use for his capita. in his own mill.

Dofasco in Hamilton, however, operates its own oxygen plants, designed, built and installed by **Canadian Liquid Air Co.,** Montreal.

What were some of the engineering problems which had to be solved before this type of oxygen plant could become a reality?

The engineering problems encountered in the design of air-separation processes can be grouped into three main categories:

- **Removal of moisture and CO_2** from the incoming air which would otherwise freeze out and plug up the equipment.
- **Problems of heat transfer** — and this is a very important factor since it determines over-all operating efficiency and economy.

To minimize losses in the air-separation system, it's essential that the heat content of the warm air entering on one side of the heat exchanger be transferred as efficiently as possible to the cold products passing out through the other side.

- **All of the system components** involved in the actual separation of oxygen from the other gases of the air.

Linde explored many new approaches to engineering and operating problems. The new designs required intensive investigation of new heat-exchange concepts at temperatures as low as minus 297 deg. F, new types of automatic control devices, new methods of insulations, and considerable improvement in gas-phase oxygen compressors.

The solution to this last problem proved to be one of the key factors in the over-all design of Linde's new family of plants.

Linde has had available for almost 20 years high-pressure, liquid-phase oxygen compression systems and had hundreds of such compressors in service. But to meet the requirements of a highly automated on-site oxygen plant, operating continuously and with the minimum of supervision and maintenance, gas-phase compressors promised the greatest savings in over-all terms of plant investment and power cost.

Unfortunately, low-pressure gas-phase compressors then available were costly, hard to maintain, and poorly lubricated.

In co-operation with leading compressor manufacturers, Linde undertook a development program that eventually led to improved packings and lubricants in place of the less satisfactory water lubrication and carbon-ring packing that had long been the industry standard for gas-phase compression equipment.

When it came to revamping of condenser design, Linde engineers found there was still a lot to learn about heat exchange at cryogenic temperatures.

The physical properties of gases under normal conditions were well known. But vital statistics on gas characteristics, such as heat content and enthropy at liquid air temperatures were inadequate.

To supply values needed for critical heat-balance and heat-flow calculations, new laboratory techniques were developed in order to measure and establish physical and thermodynamic properties and data in these super-cold temperature areas.

One of the key processing units dependent on these data is the reversing heat exchanger.

In this equipment, air entering through some passages is cooled by waste nitrogen exiting through others. As the air becomes colder, water vapor and carbon dioxide freeze out and are deposited on the walls of the tubes. The two gas streams are periodically switched so that the accumulated ice and frozen carbon dioxide deposited on the tube walls are flushed out of the system by the outgoing waste products.

During the course of a cycle, heat-exchange conditions vary as frozen impurities are gradually deposited in the air passages at one rate while they're being removed in the nitrogen stream at a different rate. The resultant changes in temperature levels and gas flow rates require careful mathematical study to assure the proper balance between air at 75 psi, and nitrogen at essentially atmospheric pressure.

Here, again, Linde encountered problems that require close co-operation with equipment manufacturers. In some cases, we have had to buy heat-exchange surfaces from the fabricators and then assemble them into equipment as needed for a given operation.

Throughout the development of on-site gaseous oxygen plants for the steel industry, commercial-scale testing of new designs was an essential part of the program.

During this period, a pilot plant was constructed for the evaluation of new operating principles, while full-size components of column and tray sections, heat exchangers, compression systems, expansion turbines and control devices were performance-tested as auxiliary attachments to existing tonnage liquid oxygen plants in production at several of Linde's production sites.

Today, complicated and often interrelated operations involving hydraulics, fluid mechanics, mass and heat transfer, and strength of materials can be expressed mathematically for solution by new computer techniques.

The computer has become a very important and useful engineering tool, since even the so-called standard plants may require as much as 30% redesign to tailor them to the specific requirements of a new installation.

The instrumentation employed in these oxygen plants consists of conventional types of automatic controls. But Linde engineers had to acquire special knowledge of control parameters of low-temperature systems to assure operating stability throughout. Methods for measurement and control of low-temperature fluids had to be developed.

By virtue of these highly reliable controls, interconnected to obtain "Fail-Safe" operation, the accuracy of instrumentation is substituted for the human element in monitoring temperature levels, product purities, pressure, flows, etc., throughout the complex system, instantaneously making compensations and adjustments in controls for optimum performance. Furthermore, instruments and controls can be physically located at critical points inside the heat exchangers and the column structure without provision for light and air, space to move about in, temperature levels and other "working conditions."

Properly engineered and instrumented, one of these plants can automatically increase or decrease its production rate in response to the demand for oxygen, can deliver oxygen from gas storage

(Continued on page 66)

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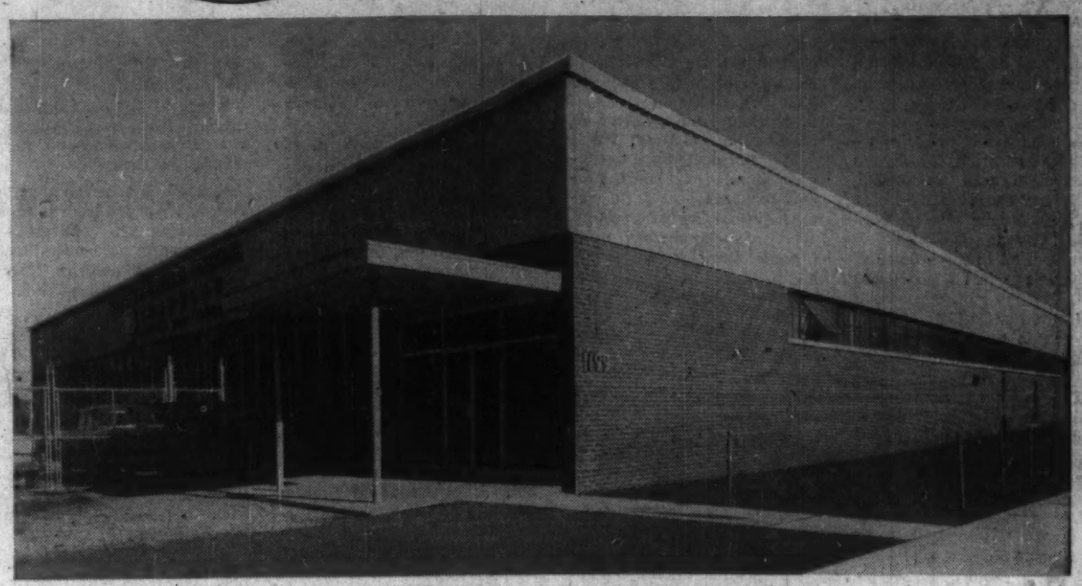

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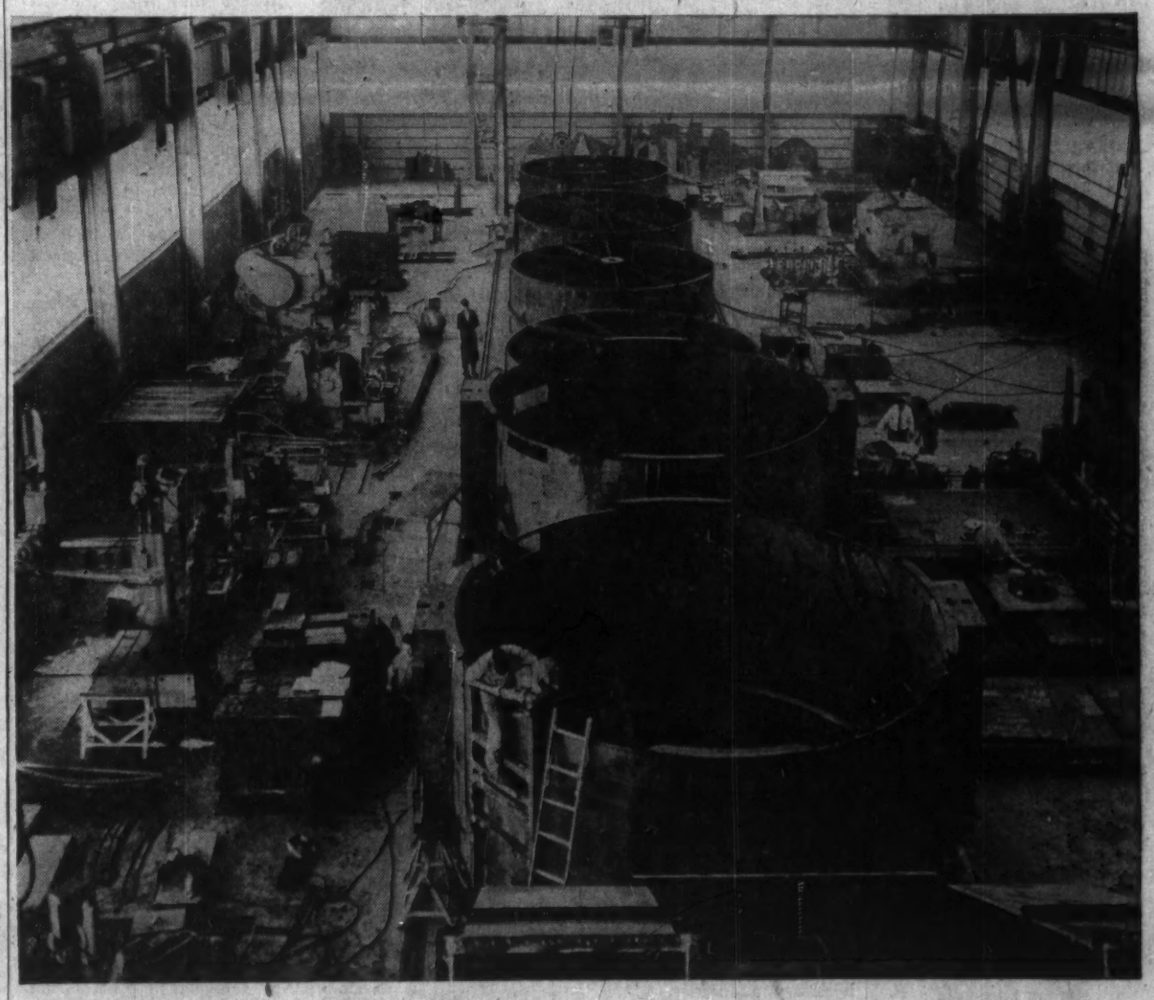

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Dosco

Plans $70 Million Mill

Beset by problems on many fronts, **Dominion Steel & Coal Corp.**, a corporate complexity of 33 companies, is undergoing a major face-lifting with emphasis on steel.

In partnership with **Sogemines Ltd.**, the Canadian enterprise of **Societe Generale de Belgique**, Dosco has called tenders for a $70 million plant on the south shore of the St. Lawrence River opposite Montreal.

The public will be invited to participate in equity and debenture financing of the new company which will build rolling mills and integrated steel facilities.

In the first stage more than $50 million will be spent on hot and cold rolling mills to make sheets, wide strip and plate.

Dosco considers the proposed mill of tremendous importance. It is now shut out of 47% of the domestic market by its inability to manufacture and supply flat-rolled products, the growing end of the steel industry.

The appliance industry, for example, is a big buyer of steel sheets.

Dosco will provide primary steel from its basic plant, sprawled over 600 acres at Sydney, N.S., thus solving Sydney's problems for at least 15 years, according to one spokesman.

"The company will spend more than $10 million extending and improving its Sydney plant before we complete construction of rolling mill facilities in Quebec," President Albert J. Fairley, Jr. said.

To supply the South Shore mill, annual ingot capacity at Sydney will have to be increased from 950,000 tons to 1.2 million tons. This expansion will take place over five years.

Sydney has never reached capacity (1958 operating rate: 600,000 tons) but it will be called upon to supply 300,000 to 500,000 tons of slab per year to the new plant.

Ultimately steelmaking facilities will be built on the South Shore but the timetable, according to Fairley, will depend entirely on "the expansion of our markets and the demand for steel in Canada."

New orders, announced last month, will boost production at Sydney to 80.9% of capacity by August. Totaling "several million dollars," the orders represent domestic demand for ingots, blooms and billets and more than offsets slack caused by erosion of Dosco's traditional overseas markets.

Output in July will be 67.5% of capacity, up sharply from 54.6% in June.

For the nine months ended Sept. 30, the plant will work at 70.8% of capacity against 63.4% a year ago.

Dosco's coal operations — which supply the steel plant, the **Seaboard** power plant and produce much tonnage for sale — have been slow, despite increased federal subventions.

Dominion Coal Co. is the big producer. Dosco and its subsidiaries operate nine mines in Cape Breton (which this year will produce between four million and 4.5 million tons) and a mine at Thorburn on the Nova Scotian mainland expected to produce 200,000 tons this year.

Subventions were increased in spring to provide wider distribution of Nova Scotia coal in the huge Ontario market, now almost entirely supplied from the U. S., and to protect the Quebec market, more vulnerable to imports since the opening of the St. Lawrence Seaway.

It is estimated that in 1959 Ontario will consume nearly a million tons of Nova Scotia coal against 590,000 tons a year ago.

Dosco is hopeful of obtaining new markets for its coal but much of the growth will depend on demand of new thermal power plants. Most of these are not projected until the mid-1960s.

The big Maritime-based operation needs only a small share of the Ontario coal market to hoist production of its mines to 7.5 million tons and achieve a desirable level of operation.

Main problem: Transportation. Dosco's mines are too far from central Canadian markets.

Costly transportation is also the reason why Dosco can't make finished steel products at Sydney and ship them into the areas of greatest Canadian demand. But, because of its location on Cape Breton, the corporation is better able to exploit foreign markets than other Canadian producers.

Adverse ore marketing conditions in Europe have forced company to close No. 6 pit of its subsidiary, **Dominion Wabana Ore Ltd.**, at Bell Island, Nfld. However since the closure in early summer, some European steel producers have raised prices and Dosco is hopeful the market for iron ore will improve.

Output at Bell Island had been running around 2.2 million tons annually against rated capacity of three million. Some 700,000 tons are used in Sydney.

About 1.5 million tons were being sold to steelmakers in U. K. and Europe but recently export requirements haven't been exceeding the minimum of Dosco's major long-term contracts.

Actually Dosco was divided into four operating divisions after **A. V. Roe Canada Ltd.** acquired control two years ago. **Hawker-Siddeley Group** of England has a 58% interest in A. V. Roe.

The division:

- **Mining** (coal, limestone and iron ore).
- **Steel production** (the Sydney works and Seaboard Power).
- **Transportation** (coal-carrying ships and railways).
- **Steel fabrication and manufacturing.**

This last division includes **Halifax Shipyards Ltd., Eastern Car Co., Truscon Steel Co., Canadian Bridge Co.,** various companies engaged in making small steel products; and the big Trenton Works at Trenton, N.S.

Dosco has changed its fiscal year and the next annual financial statement will be the first covering a full 12-mo. term ending July 31.

Most recent statement covered 7 mo. from Jan. 1, 1958, to July 31, 1958. Earnings were $2,707,717 compared with the all-time high of $7,112,996 for full 1957.

Decline reflected increased competition in both domestic and foreign markets.

Net additions to properties and plants during the period amounted to $5,332,738, including purchase of the land at Contrecoeur. Most recent addition to Dosco facilities is the new $1 million 40,000-sq.-ft. machine shop at the Sydney Works.

At Trenton, N.S., a new long axle bloom heating furnace and other installations for the production of car axles were put into operation.

Meanwhile **Canadian Tube & Steel Products Ltd.**, a subsidiary at Montreal, is putting isolated screw and bolt manufacturing operations under one roof and expanding a profitable industrial fastener division.

At Glace Bay **Seaboard Power Corp.** is completing a sixth generating unit to bring total installed capacity to 97,750 kw.

There have been many personnel changes since A. V. Roe acquired nearly 80% of the ordinary Dosco shares. Two years ago average age of top management was over 60. Today it is in the early 40s. Many specialists have been added to the management team to broaden the scope of activities.

Excluding Dominion Coal Co., the corporation has some 15,000 employees. The wage bill for the year ending July 31 will be more than $60 million. Nearly $100 million will have been spent on materials and supplies.

At July 31, 1958, company had 2,944,371 npv shares outstanding. Funded debt consisted of $1,528,000 3½% first mortgage bonds, Series A; $2,750,000 4% first mortgage bonds, Series B; $1,223,500 4% convertible debentures and $934,000 4¼% convertible debentures.

Funded debt of subsidiaries was just over $6 million. In March, 1959, an issue of $2,250,000 5¾% first mortgage bonds, Series D, of Seaboard Power Corp. was sold privately.

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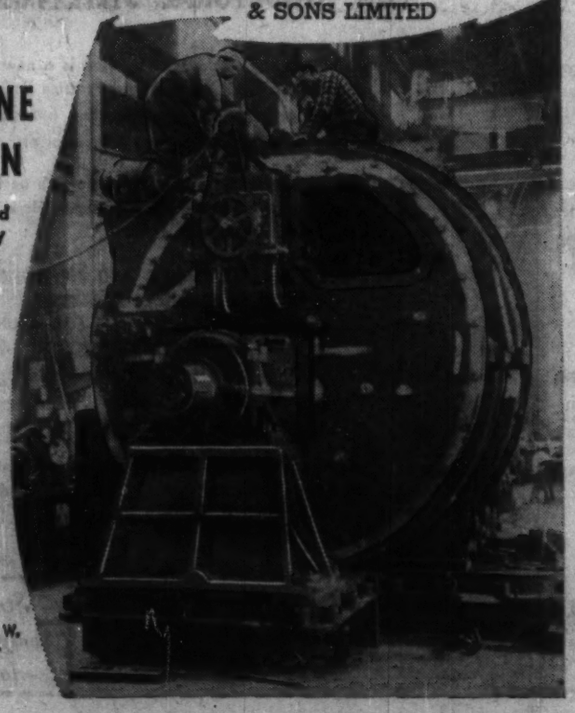

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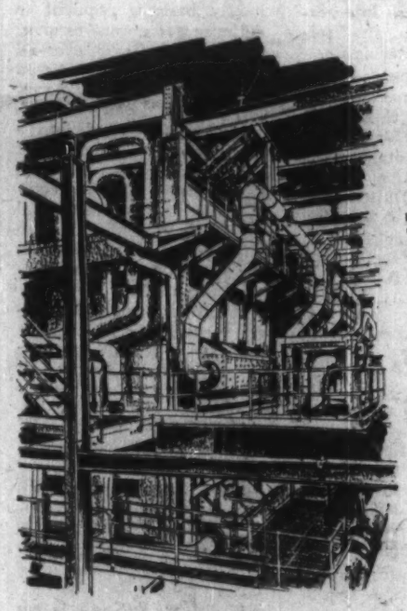
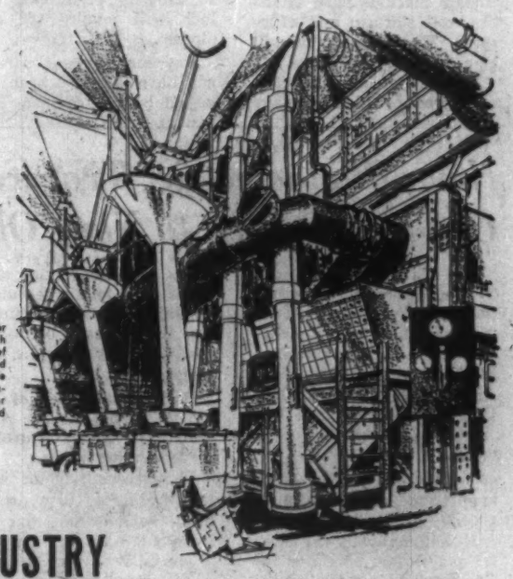


Four boilers at Margam Steelworks of the Steel Company of Wales Ltd. Each boiler is fired by blast furnace, gas or oil, and generates 100,000 lb/hour of steam at 630 psi and 830°F.



Firing floor of a boiler installation at the South Wales steelworks of Richard Thomas and Baldwins Ltd. There are five boilers, each generating 100,000 lb/hour of steam at 375 psi and 675°F.

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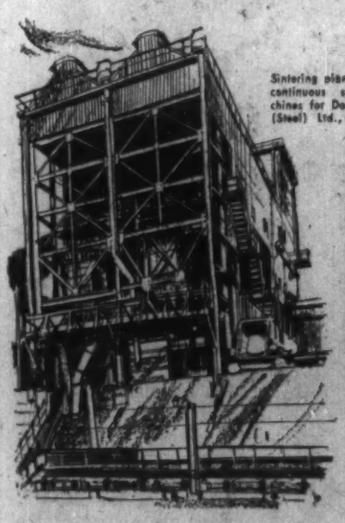
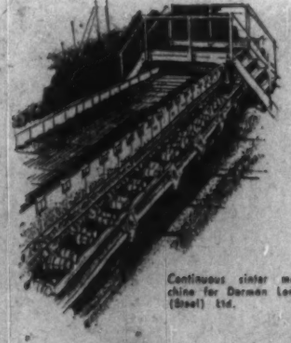


Sintering plant with two continuous sinter machines for Dorman Long (Steel) Ltd., England.



Continuous sinter machine for Dorman Long (Steel) Ltd.

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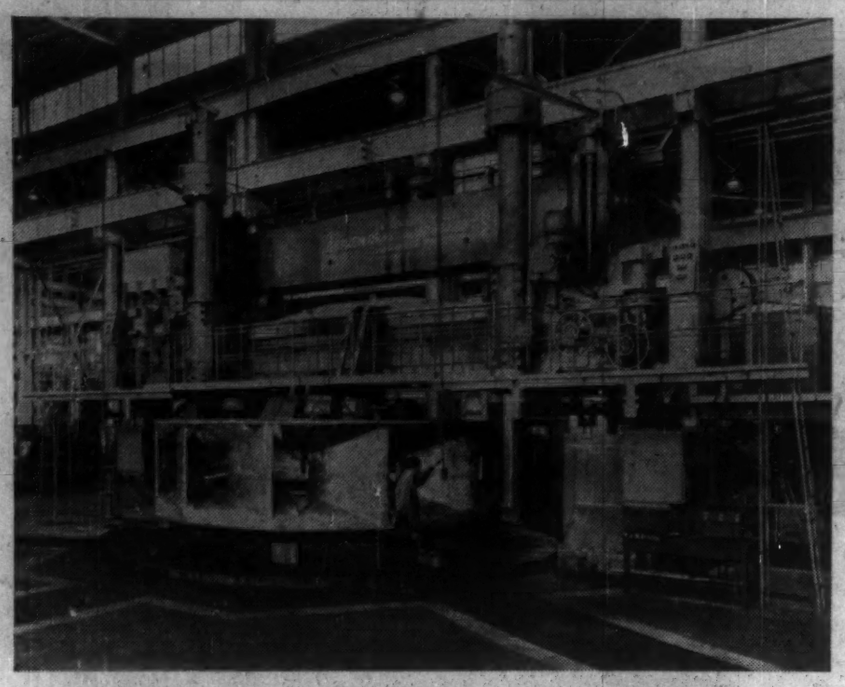


A LARGE STEEL speed ring being machined on the boring mill at the Inglis-English Electric plant at Scarborough, near Toronto. The ring is part of one of the world's most powerful turbines, for Aluminum Co. of Canada's Chute de Passe development.

Big Inch
Builds Calgary Mill

Big Inch Pipe Corp. has started to build a $4 million large diameter pipe mill on a 40-acre site in the Ogden industrial area at Calgary, close to the **CPR** shops.

The general contract on mill buildings, services and related facilities was let to the Calgary joint venture firm of **Dutton-Mannix, Cal-Metal Corp.** of Torrence, California, pipe mill specialist, has been awarded the general contract on supply of pipe mill machinery and equipment. Both firms are working on a completion schedule of 10 mos.

The main mill building will be a metal clad steel structure 90 ft. by 580 ft. A craneway will extend the full length of the mill building plus 200 ft. beyond the building to facilitate handling of steel plate and finished product pipe.

A lean-to, 25 ft. by 300 ft., will also be built to accommodate machine shop facilities, roll storage, and office space. The office section will be a two-story structure.

The mill, when completed, will produce high pressure oil and gas transmission line pipe to API specifications in size ranges from 18 in. to 36 in. OD and in plate thicknesses up to and including ½ in.

Capacity will be 30 tons pipe per hr. or 60,000 tons per yr. on a one-shift basis and 120,000 tons per yr. on a two-shift basis.

The construction of trunk gathering lines during 1960 to supply natural gas export lines will require an estimated 150,000 tons of pipe.

Market forecasts for 1961 indicate a level of consumption of 120,000 tons in the sizes from 18 in. to 36 in. for gas line construction.

Additional large tonnages could develop over the next few years to transport crude oil to eastern markets.

Steel plate will be supplied by the **Interprovincial Steel Corp.** rolling mill now under construction at Regina. At capacity production, Big Inch will require 160 employees.

Key management personnel have already been retained by the company and **Cal-Metal Corp.** will provide experienced personnel to supervise installation of mill equipment and initial operation of the mill.

Ralph Diamond, former executive vice-president with **Cominco**, will serve as chairman of the board of this new company. C. E. Chesher is executive vice-president. J. W. Sharp is president, with J. N. Turvey as secretary-treasurer.

Members of the board include prominent Alberta petroleum industrialists in addition to the financial group behind recent industrial expansion in Saskatchewan including the **Saskatchewan Cement Corp., Interprovincial Steel Corp.**, and **Prairie Pipe Manufacturing Co.**

Board of directors: Ralph Diamond, chairman; J. W. Sharp, president; C. E. Chesher, executive vice-president; J. N. Turvey, secretary-treasurer; J. S. Davidson, Carl O. Nickle, Merwyn Dutton, Reg. Jennings, George C. Solomon, Norman E. Whitmore; R. A. Kramer, M. A. MacPherson, V. V. Spencer, J. B. Sangster.

More Oxygen Used In Steel-Making

(CONTINUED FROM P. 64)

to handle momentary peak loads, and then refill the storage when demand falls off. If more oxygen is required than can be satisfied by production and accumulated gas in storage, the plant will automatically begin to vaporize liquid oxygen at the proper rate to make up the difference.

Selecting the proper size of oxygen plant for a particular installation is not a simple job, and the penalties for being wrong are both severe and lasting. For example, the cost of oxygen from an 80-million-cu.-ft.-mo. plant will be almost half the cost of the same volume from four 20-million-cu.-ft. plants.

If a mill's oxygen usage will reach 80 million cu. ft. mo. in three, four, or even five years from today, it makes sense to put in the 80-million plant at the outset.

"Capacity" is a measuring stick which cannot be applied to the plant alone. The oxygen supply system consists of the producing equipment, compression equipment, gas storage, liquid storage, and the production, transportation, and distribution equipment for liquid oxygen.

Having designed and sized the production equipment for most economical production, the base-load oxygen compressors must be adequate to deliver production into the line. The booster compressors must be able to refill gas storage receivers from excess production in the proper time —but without penalizing the economics by being too big and too costly. The volume of gas storage should ideally be such that the plant can run continuously at the most economical level, and all the peaks and valleys of demand be handled by putting oxygen into and out of the gas receivers.

Obviously, a careful study of present and predicted future load patterns on an hourly basis is required to optimize gas storage receiver capacity for least over-all cost. Then how about liquid oxygen storage and vaporizing capacity? Since our on-site plants are tied into a liquid oxygen production and distribution system of virtually limitless capacity compared with an individual mill's requirements during an outage, it is not necessary to maintain a large liquid inventory on site.

Proper sizing of liquid storage capacity is a function both of the time required to get supplemental liquid oxygen flowing from our regular liquid system and the amount which will be consumed during that interval. In addition to the supply of "back-up" liquid oxygen during plant outages, there are infrequent "peak" demands beyond the combined capacity of the producing equipment and gas storage. These "peak" requirements may be for test programs such as oxygen enrichment of blast furnace air, oxygen-natural gas scrap melting burners for electric furnaces, etc.

Likewise, the necessity for pushing the mill's steel production to meet the threat of an impending strike, or to be able to book a big order, may require oxygen volumes in excess of plant capacity which has been sized for best "normal" economics.

Here, again, the market value of the extra steel production might not be realized if the extra oxygen capacity permitted by supplemental liquid oxygen deliveries were not available. Just as in sizing blast furnace capacity, new rolling mill capacity, soaking pits, coke ovens, or any other component of an efficient integrated steel mill the requirement is "enough, but not too much!"

This is an indication of some of the problems involved in dependable and economical supply of oxygen to the modern steel industry. It has required considerable original work in such diverse technical fields as hydraulics and fluid mechanics, thermodynamics, materials investigation, piping design at extreme temperature conditions, instruments and controls, and many others.

But the knowledge gained in this enterprise has served to disclose how much more we have to learn. As a new frontier is opened up, it discloses new horizons beyond. We have only begun to realize the benefits that oxygen and other products of air separation and cryogenic technology can bring to the steel industry and to the country.

New Photoelectric Tracer Cuts Costs, Can Be Adapted to New, Old Machines

The "Linde" Photocell Tracer, a new and versatile photoelectric tracing device for attachment to oxy-acetylene shape-cutting machines, has been introduced by **Linde Air Products Co.**, division of **Union Carbide Canada Ltd.**

Sold under the trade mark "L-P-T", this new unit incorporates a recently developed **Canadian Westinghouse Co.** electronic circuit.

It automatically traces from a simple pencil or ink line drawing, a great advantage over most existing photoelectric tracing devices which will only follow the edge of a wide line or silhouette.

Superseding the older type strip and magnetic drive heads used on shape cutting machines, the tracer eliminates the necessity of making costly strip or magnetic templates.

Basic component of the unit is a photoelectric scanning head which controls a servo steering motor.

This steering motor is in turn connected to a driving head, which rides on the tracing table.

The drive wheel of the driving head rides on a sheet of ⅛ in. Lucite which directly overlays the drawing.

This whole assembly mounts on the cutting machine by means of special brackets and lift mechanisms.

The main control box, which is connected to the tracing head by means of a 25-ft. multi-conductor cable, is remotely mounted on a wall or other similar support.

A pendant control box is mounted on the cross arm of the cutting machine in a convenient location.

During operation of the unit, a photocell on the end of a vibrating reed scans across the template line.

Output from this photocell is fed to the steering motor which, in turn, controls the driving head and also maintains the photocell centred over the template line.

This system is very accurate and dependable when used on suitable line drawings.

Tracing accuracy of within plus or minus .005 deg. is obtainable. Turns of up to 90 deg. with a 1/16 in. radius can be made at a speed of 16 in. per minute.

Moreover, the unit is not sensitive to ambient light sources and consequently cutting operations can be carried out in brilliantly lighted areas.

The tracer can be adapted to both new and old cutting machines, providing they are in reasonable mechanical condition.

A STELCO METALLURGIST examines a steel sample under a high-power microscope.

Portable Oxygen Cylinders

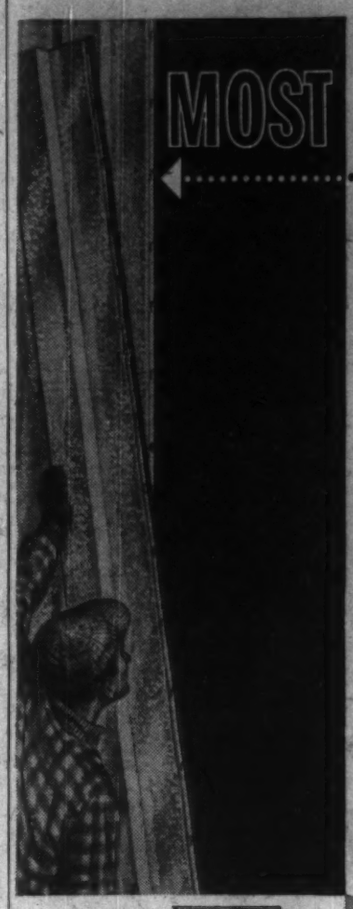
Manufacturers of liquid oxygen can now get portable cylinders, developed and manufactured by **Linde Co.**, division of **Union Carbide.**

The cylinder, known as LC-3, is a double-walled, insulated container capable of holding a large volume of liquid oxygen.

Since liquid oxygen is nearly 300 deg. F. below zero, the success of the LC-3 is based on the quality of the insulation.

In normal usage, the cylinder is so designed that the gas pressure inside is always above the setting of the delivery regulator and below that of the relief valve, so that no gas is lost.

There is a built-in heat exchanger that automatically vaporizes and warms as much gas as is needed, to a maximum of 300 cu. ft. an hr. continuous service, or 1,000 cu. ft. per hr. in intermittent service.



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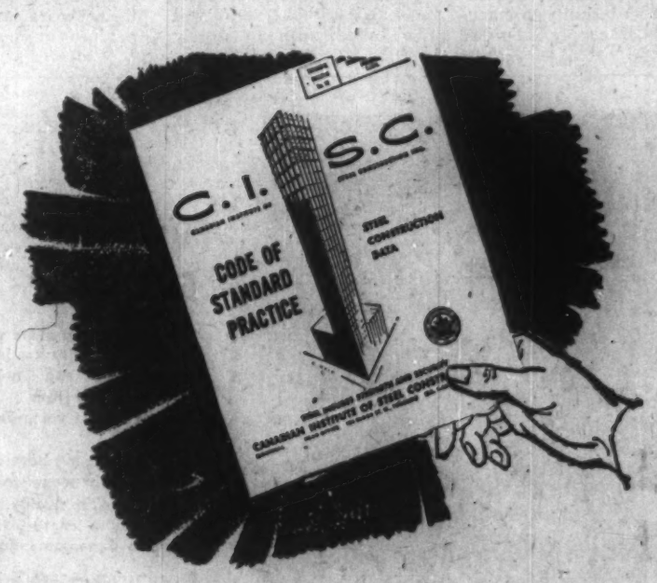

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DRAWINGS AND SPECIFICATIONS
MATERIAL FROM STOCK
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ERECTION PRACTICES

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Scrap Tops $60 Million

When you talk business in Canada's scrap steel market, it has to be backed up with a wide and up-to-date knowledge of trade in the basic steel industries of half-a-dozen other countries.

That is why two major current events of topical importance are also of prime concern to the steel scrap merchant. They are:

- **The Welland Canal bottleneck on the St. Lawrence Seaway has been delaying the normal peak-season deliveries of iron ore to Hamilton which is Canada's biggest steel producing area.** (This could result in the companies involved — **Steel Co. of Canada, and Dominion Foundries & Steel Co.** increasing their requirements for steel scrap to offset to some extent any reduction in ore stockpiles.)
- **A general steel strike in the U. S. could have the effect of releasing huge quantities of scrap steel for the Canadian market** and possibly bring prices down. (This would not likely happen unless such a strike continued for more than two months, U. S. steel mills working to near-capacity in anticipation of a possible strike, have been using up most of the available scrap and it would take about two months for further large stocks to be collected at major distribution centres.)

These points underline that the days are long since past when a bank manager confused steel scrap dealers and brokers with the man who called at the back door for the old washing machine.

That man—called a pedlar in the industry—still plays an important part in other scrap metal fields like those of cast iron and nonferrous metals.

But his role in the provision of the essential, carefully-classified and segregated steel scrap for the basic steel - producing companies has steadily become of less consequence.

Instead we have the merchant who often buys his scrap steel by contract, worth many thousands of dollars, when ships are broken up, railroads and rail cars discarded, big machinery installations replaced, major buildings demolished, or large quantities of equipment scrapped.

An example of this occurred just a couple of weeks ago when a special announcement was made to scrap metal merchants that the U. S. Department of Commerce, Maritime Administration, was inviting bids for the scrapping of 15 Liberty vessels, and that no bids of less than $95,000 per vessel would be considered.

The real scrap steel merchant of today in Canada is a man with a close knowledge of the technological advances which have been made and are still developing in the basic steel industries.

He must be conversant with the ever - increasing number and variety of steel scrap grades which are needed for the production of various grades of steel.

The steel scrap merchant usually has from $300,000 to $750,000 invested in equipment in his business and maybe as much as $250,000 tied up in scrap metal futures.

To a greater or lesser degree, that is the position of major steel scrap brokers in Canada like **International Iron & Metal Co.**, Hamilton, or the Toronto firms of **Frankel Bros.**, and **G. Solway & Sons.**

Before the steel company's purchasing agent places an order with a major steel scrap broker, the transaction is frequently a prime topic for discussion among top management.

The average annual turnover in dollar volume in Canada of scrap steel has been estimated at more than $60 million.

It was $57 million last year. And, as the great bulk of that sum is paid in varying proportions by Canada's five basic steel producers, it is to each of them an expenditure which requires the most careful consideration.

Because Canada is unable to provide domestically the volume and quality of steel scrap which our basic steel companies demand, the steel scrap broker must import much of it from the U. S.

U. S. has more steel scrap than her steel mills can normally use.

But when demand rises in the U. S. or various countries like Canada which are short of steel scrap, the price climbs.

Recently, for instance, prices for scrap steel have been steady because Japan has been in the U. S. market to buy scrap. There are signs of U. K. requirements increasing from the relatively low level of the past year, and for the first time in a long period, France has come into the market.

This also could be a factor in minimizing or delaying the effect which a steel strike in the U. S. could have on steel scrap prices in Canada.

This is also an example of why the steel scrap merchant must be conversant with market trends in so many countries.

If he is a dealer who collects scrap steel from a variety of places, and then stores it, processes, segregates and classifies it according to market needs, he must know the international market trends before he can decide how much to buy and how much to pay for it.

If he is a broker, who is also usually forced to maintain storage and processing facilities, he must know the same trends to a still greater extent.

As the direct contact with big steel company customers, the broker has often to fill orders for hundreds of tons of steel scrap sometimes at short notice.

These he buys in various lots from the dealers but, in doing so, he may take in a large number of widely-separated cities in Canada and the U. S. to complete the order.

Usually the prices and quantities in the different cities vary from one another.

Then he has to synchronize the deliveries to the steel company according to the latter's storage and consumption requirements.

But in each case, the deals must go through at the lowest average price obtainable, because in many cases, the broker works on a straight commission basis with his big customers, much in the way a stockbroker operates.

As an example of the quantities of steel scrap which can be involved in such transactions, an unofficial estimate has placed conservatively Stelco's average consumption at 12,000 tons a week or over 600,000 tons a year.

Allowing 50% of this for what is known as "home scrap" — that which is produced in the steel mills by way of croppings from rolled products, clippings from plates and sheets, or defective products — it still leaves some 6,000 tons a week required of "purchased" scrap.

On this basis, it could mean that Canada's five basic steel producers among them require to buy from brokers an average of over 18,000 tons of steel scrap a week to maintain their present high level of steel production.

Apart from home consumption, and as a seeming paradox to the steel scrap picture, Canada maintains a lively export trade in scrap metal, particularly scrap steel.

The reason is that Canadian steel mills, because of the nature of many of their products, are very particular about the quality of scrap steel used to charge their furnaces.

If Canada made heavy structurals, for instance, of the type which is presently imported mainly from the U. S., it would be able to use more of its own secondary steel scrap and be less dependent on outside sources.

Algoma Steel, Canada's main producer of light structurals, is thinking of developing its structural steel production and there have also been reports that Dominion Steel is contemplating an excursion into new structural steel production.

But, because Canadian mills at present have small capacity to absorb these secondary grades of steel scrap, the brokers send them to steel markets abroad.

For instance, in the first four months of this year, exports of cast iron and steel scrap from Canada (most of it steel) amounted to 53,671 tons valued at $1.76 million.

That was much less than 85,523 tons, worth $2.9 million, which went abroad in the same period of 1958.

Total exports of steel and cast iron scrap from Canada in 1958 amounted to 387,147 tons, valued at $12.4 million, down from 684,000 in 1957. These were the customers last year:

Destination	Tons exported
U. S.	293,723
Italy	35,987
Spain	18,353
France	15,719
W. Germany	10,587
U. K.	5,223
Belgium	3,637
Japan	2,687
Puerto Rico	1,208
Netherlands	23

$100 Million in Scrap

The scrap metal industry in Canada is a $100 million business, more than half of it represented by scrap purchased for use in steel furnaces.

Prices for top grades of scrap steel, however, can vary widely from one period to another.

In recent months in Canada, the prices have been fairly steady with brokers' buying prices f.o.b. Hamilton about $29 a net ton.

But this compares with a figure of $26 in the middle of 1958 and $47 in 1956.

Last year was poor for the steel scrap dealers with the steel companies consuming only 973,000 net tons of purchased scrap as against 1,296,000 in 1957.

This year, so far, has shown some improvement. Here are the figures by month of purchased scrap consumed by Canadian steel furnaces:

	1959	1958
	(net tons)	
Jan.	109,000	104,000
Feb.	108,000	101,000
Mar.	108,000	99,000
Apr.	103,000	78,000

Oxygen Unit Makes Gas On the Site

(CONTINUED FROM P. 63)

tent in the oxygen steel is definitely lower than that of open health steel, Algoma reports.

The phosphorus content is perhaps slightly higher than the best of open hearth steel, although both were at extremely low levels. The sulphur content of the oxygen steel is definitely lower than for open hearth steel, and these are at levels where even a minor reduction of the sulphur content is significant.

The nitrogen content of steel at the present time is being seriously considered in connection with the notch ductility of steel at sub-surface temperatures.

There are indications that reductions to the degree as indicated by statistical graph studies would be significant in reducing the notch brittleness of the steel.

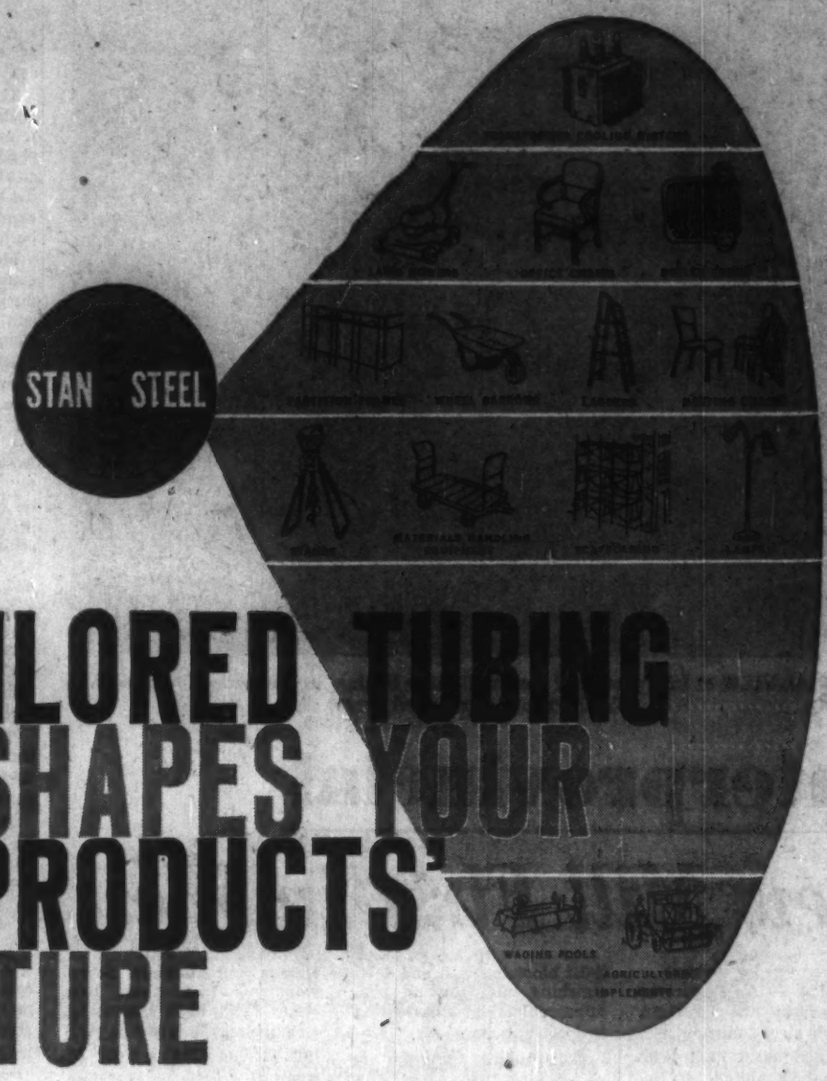
In flat rolled sheet steel, the sulphur content is always a problem since a high sulphur content greatly reduces the ductility of the steel and makes it more susceptible to breakage in drawing or severe forming operations.

The improved sulphur content of oxygen steel has been shown to definitely improve the ductility of this type of steel, Algoma claims.

Other uses of oxygen by Algoma Steel include burning, welding and hand scarfing.

Also a Linde Deseamer capable of removing the surface from all four sides of a bloom in one operation is located in the run-out table of the 44-in. blooming mill.

The Deseamer can handle blooms up to a maximum size of 15¾ in. by 12¾ in. The depth of the cut can be adjusted to remove up to 3/32 in.



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AN AERIAL VIEW of Interprovincial Steel mill, near Regina. In the centre foreground is 30,000 tons of prepared scrap.

Interprovincial

New Mill First in West

From Our Own Correspondent

REGINA — An important milestone in the Western Canadian steel industry will be reached early next year with the completion of **Interprovincial Steel Corp.** rolling mill at Regina.

This $15.5 million mill, first of its kind in the West, will provide a local supply of hot rolled carbon steel plate, sheet, strip, structural steel and skelp.

Production capacity will be 100,000 tons of finished steel products a year, designed for expansion as markets warrant.

Construction started October, 1958. Railway services are complete. Mill buildings are 95% complete.

Work is progressing on piling and foundations for the major items of plant equipment: Two electric furnaces, 2-Hi blooming mill and 4-Hi finishing mill, soaking pits, approach table and coiling bed, slitting lines, etc.

Construction program is proceeding on schedule with completion of all facilities slated for January, 1960. The first few months of the year will be used for test runs on furnace and mill equipment.

Like the other three steel mills in the West, Interprovincial will use scrap steel, using electric furnaces for melting and refining.

The company has obtained commitments on over 100,000 tons of scrap iron and steel for delivery this year, with over 30,000 tons currently on site. Planning calls for an initial scrap steel inventory of 125,000 tons.

Freight rates have been negotiated on carload shipments from points in North Dakota and Montana. Scrap shipments from these two states have been increasing steadily and it is anticipated that 25,000 tons a year of scrap steel will be available from U. S. sources.

The rest of the scrap requirements are being met by shipments from the railways and from collection centres throughout Saskatchewan.

Quality of scrap available in this area is good with approximately 50% grading No. 1 heavy melting and the balance grade No. 2. Scrap prices are favorable and have approximated the estimates used in preliminary studies.

The method of steel manufacturing at Interprovincial will be similar to the conventional types of mills in both Canada and the U. S.

Market for skelp, plate and structural steel in Western Canada improved in the first half of 1959 over that of 1958 and the outlook for 1960 suggests a high level of economic activity.

The three existing pipe mills in Western Canada have a combined production capacity of 270,000 tons in the size ranges from ½ in. so that the complete skelp requirements of these pipe mills can be met.

Market forecasts of pipe consumption in above sizes during 1960 in Western Canada indicate a level of consumption of 160,000 tons.

Big Inch Pipe Corp's large diameter mill, under construction in Calgary, will be an important market outlet for steel plate produced at Interprovincial. Size range for this new pipe mill will be from 18 in. to 36 in. and plate requirements in the sizes from 18 in. to 30 in. will be available from the Regina mill.

In 1957 consumption of steel in Western Canada totaled 791,000 tons.

Completion of the Regina mill will bring total Western capacity to 395,000 tons.

The Interprovincial rolling mill is capable of processing up to 400,000 tons on a three-shift basis.

Provision has been made for a third furnace and two additional soaking pits which would boost ingot production to approximately 185,000 tons a year.

Beyond this level the question of steel scrap supply becomes a factor and the alternative would be the direct reduction of iron ore to pig iron and steel ingot.

The management team at Interprovincial, headed by J. W. Sharp, president, has taken steps to ensure an adequate supply of raw material based on the direct reduction of iron ore.

A vast deposit of exceptionally pure magnetite ore grading 30%-35% iron content has been proven up near Choiceland, Sask., some 280 mi. from Regina.

This deposit is under active exploration and development with approximately $500,000 expended to date on drilling, engineering and economic feasibility studies. Interprovincial holds an option on iron ore leases in the immediate area of this activity.

The proposed **Consolidated Mining and Smelting Co.** smelter, using iron tailings available at Kimberley for production of pig iron and steel ingot, will also provide an economical source of steel ingot.

New Process: First In Canada

(CONTINUED FROM P. 62)

ters the periphery of the furnace and forms its own angle of repose.

Thus the space above the electrodes is open and offers no restriction to the flow of carbon monoxide gas produced during the reduction reaction and the molten bath in the furnace furnishes a constant electrical resistance thus permitting high and uniform power inputs. The use of such a charging technique permits the charging of fines without interference with the operation.

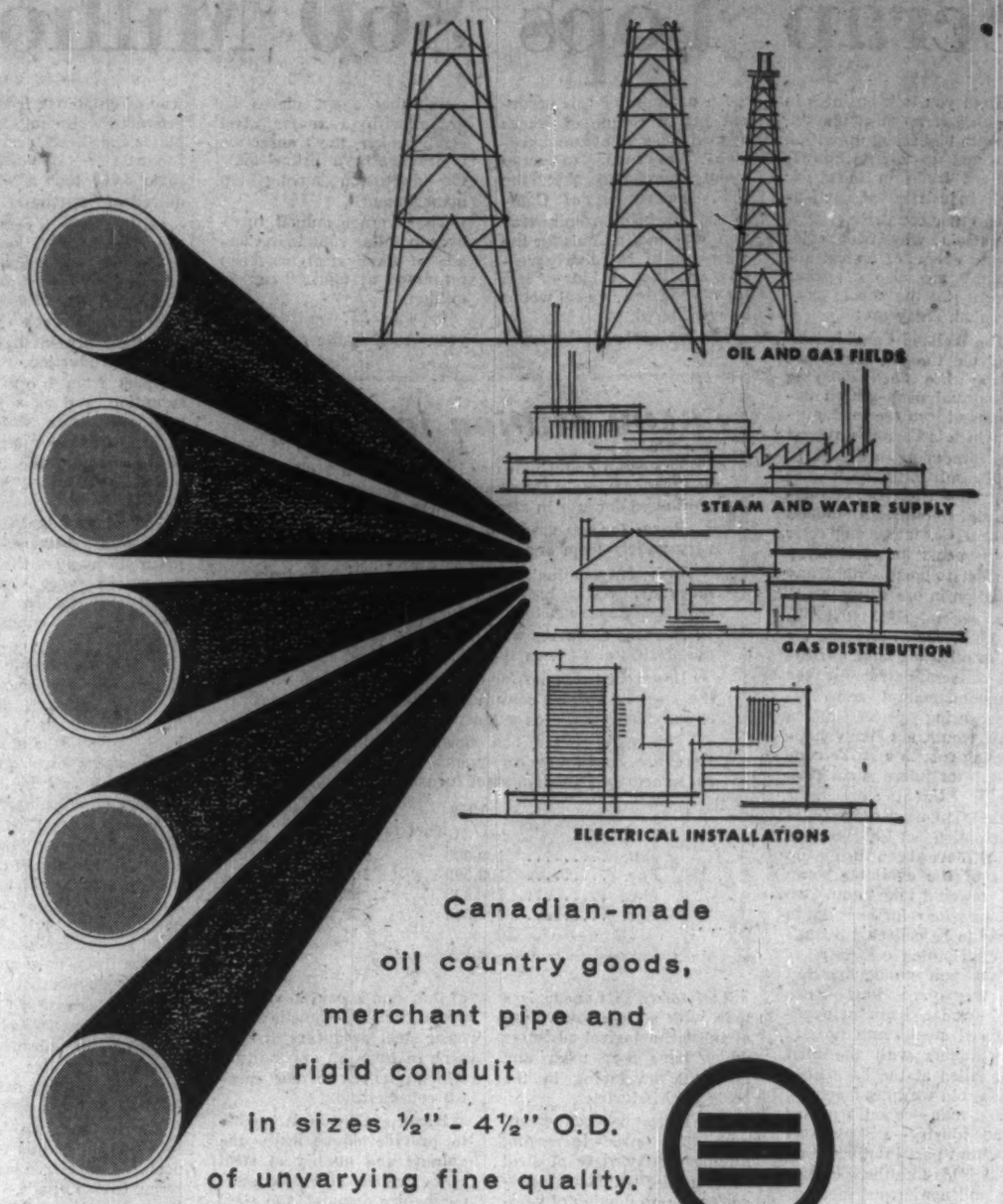
The reaction between the coal and the iron oxides in the molten bath is extremely rapid, resulting in the fast liberation of carbon monoxide gas. This gas is collected and burnt in the kiln to supply a major portion of the heat of the kiln.

With this electric furnace technique it is possible to vary the carbon content from pig iron at 3.5% carbon to semisteel at 0.2% carbon with comparative ease.

Accurate control of the slag composition permits selective smelting to remove contaminating elements such as titanium, manganese, phosphorus, chromium and nickel and also permits high recovery of iron. These contaminating elements can be recovered for credit if present in sufficient concentration.

Where exact carbon control of the iron is required, finishing additions of reductant can be introduced in the smelting furnace or carbon adjustments made by the addition of iron ore.

The balance of the operation is similar to conventional smelting techniques. The iron and slag are tapped intermittently and handled in the conventional manner.



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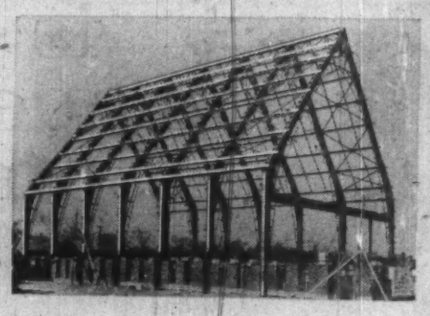

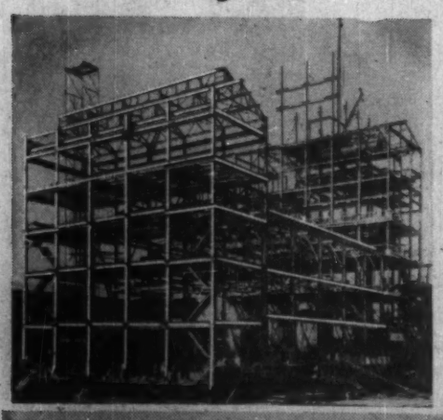

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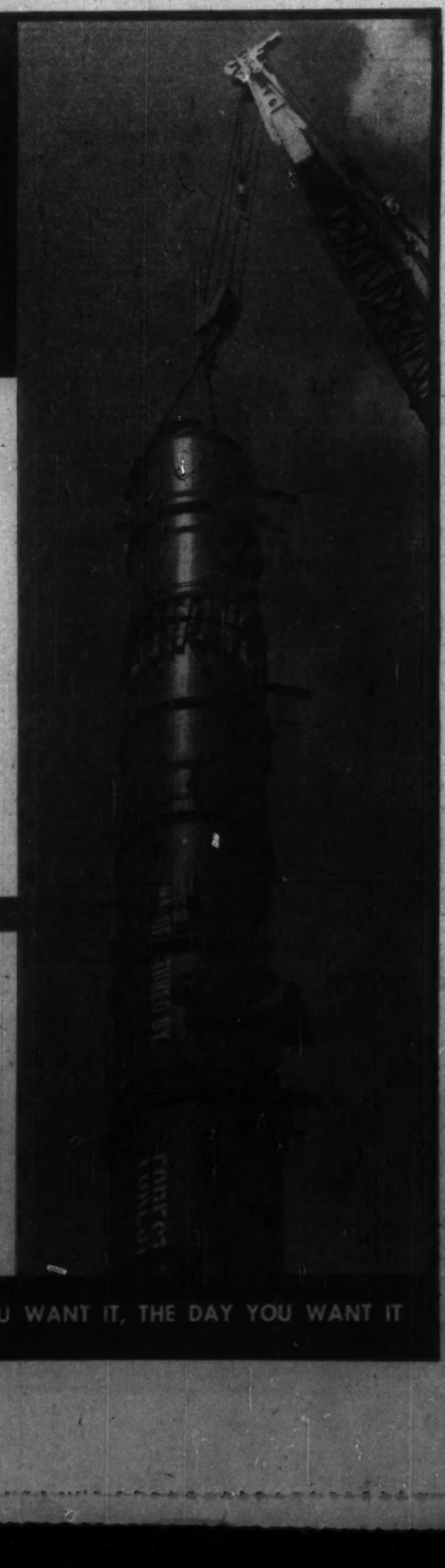

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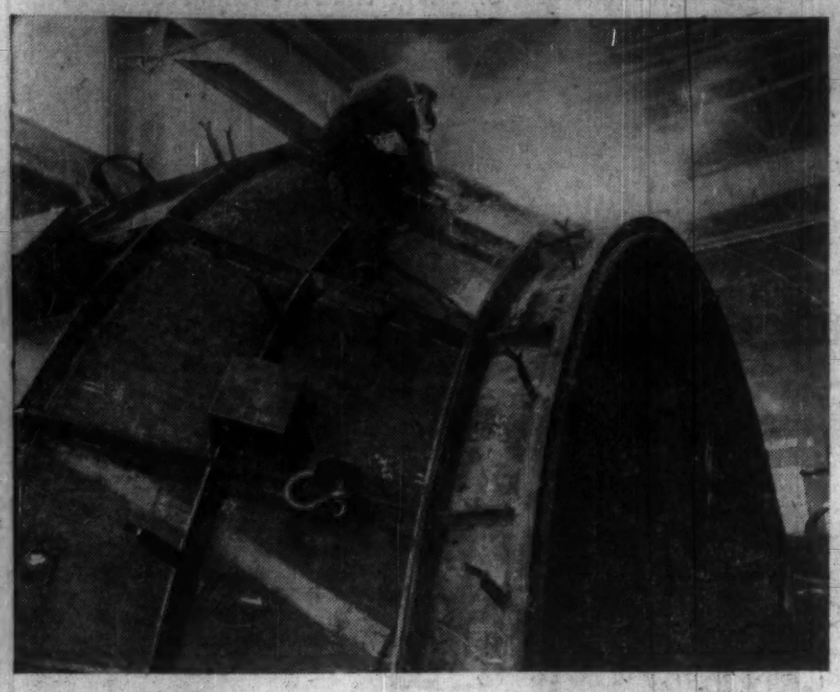


STEEL FABRICATORS, who represent a $500 million segment of the steel industry, have expanded their facilities rapidly and brought in many operational improvements in welding, cutting, punching and drilling

Algoma

Jumps into New Field

Algoma Steel, just finishing up a 10-year expansion program, is already moving into a new growth phase.

This steel giant has spent some $170 million building a practically new organization since it embarked on a post-war program in 1949.

It was a program designed to diversify its operations, take advantage of some of its special attributes and overcome the disadvantage of location at Sault Ste. Marie, Ont., farther away from markets than mills in the Hamilton area.

The expansion worked through a series of phases, the latest starting in 1956 and completed this year.

Now it appears that Algoma is starting on a fresh expansion phase that will involve an additional $15 million.

Taking advantage of higher tariffs last year, Algoma is jumping into the market for wide-flange steel beams used in large buildings and bridges.

This will be the first mill to make large size flange beams in Canada. It should be in production by the end of 1960 and will be able to produce wide flange beams up to 24 in. by 12 in. and 190 lb. per ft.

The mill will be closely integrated with other operations so that it can be worked interchangeably with rail and structural mills.

Interchangeable features are a highlight of Algoma's plant. The need for flexibility arises from the relatively small markets available in Canada which prohibit lengthy production runs.

Algoma once concentrated its production in a relative handful of products. The early foundation of the company was in making rails in the era of the big railway boom early in Canada's history.

Today, Algoma is Canada's largest producer of pig iron and coke and second largest producer of steel.

It accounts for about one quarter of Canada's steel-making capacity.

This roughly is what the extensive plants at Sault Ste. Marie, Ont., can do.

- **Pig iron capacity is about 1.5 million tons** annually in five furnaces. In addition, wholly-owned subsidiary **Canadian Furnace Co.** can produce 190,000 tons of pig at its Port Colborne, Ont. blast furnace.
- **Crude steel capacity is 1.6 million ingot tons.**
- **Coke capacity is 1.5 million tons** with about 5.5 million gal. of by-product.
- **Blooming mills can handle 1.6 million tons a year.** Double-duty production lines permit rolling 500,000 tons of ingots and re-rolling the semi-finished blooms and flats into plate and rounds.
- **Rail and structural mills can handle 350,000 tons a year** including structurals up to 18 in. This end of Algoma's business is being expanded by the new large-size structural mill.
- **Merchant mill can produce 120,000 tons** of merchant bars and light structurals.
- **Combination bar and strip mill can produce 400,000 tons** of sheet, strip and skelp, universal plate and merchant bars.
- **Cold mill handles 80,000 tons** of cold-rolled sheet and strip up to 30 in. wide.
- **Grinding ball plant can produce 24,000 tons a year.**

The 10-year expansion program included construction of one blast furnace, two open hearth furnaces, two batteries of coke ovens, combination bar and strip mill, a new oxygen steelmaking plant completed last year and a new combination blooming and plate mill which started rolling this year and which adds wide plate to Algoma's line of products.

Another major part of Algoma's growth program was in improving its raw material supplies. The company owns **Lake Superior Coal** and **Cannelton Coal and Coke** of West Virginia. These coal mines have been mechanized.

And its iron ore subsidiary, **Algoma Ore Properties,** has shown considerable strength through a period of difficulty in the iron ore industry. Algoma Ore last year continued to increase production although the rest of the iron ore industry was forced to drastically curtail shipments.

Last year, Algoma Ore brought into production its Sir James mine open pit and has improved underground operations at the Helen and Victoria mines. Algoma Ore sinter running about 51% iron and 3% manganese finds ready markets throughout the steel industry.

Last year, the concentrating plant with a capacity of two million tons annually, shipped some 1.6 million tons. This year, shipments are expected to run close to two million tons of concentrate.

At the Helen mine, a $20 million program to open up 50 million tons of ore is being completed.

Algoma Ore also has several large magnetite ore bodies with total assured reserves of almost 200 million tons in the Goulais range near Michipicoten and the Calaboogie district.

In addition, the mining end of the Algoma Steel organization is carrying out a stepped up exploration program along the Algoma Central railway line that runs north from Sault Ste. Marie.

Algoma Steel also has a valuable asset in its ownership of over 49% of the outstanding common shares of **Canada Steamship Lines** and over 8% of the preferred shares. The company also owns limestone and dolomite deposits which are not being mined.

The company financed its expansion and growth largely internally. It obtained a $15 million loan from General Motors which is repayable contingent on the sales to GM and its Canadian subsidaries and last year sold $25 million of 20-year 5¼% sinking fund debentures.

Algoma Steel had a consolidated net profit in 1958 of about $11.8 million, equal to $2.05 a share, down from $14.2 million or $2.49 a share the previous year. Dividends were initiated in the fall of 1957 and are paid quarterly at the rate of $1 a share annually.

Newfoundland Limestone Feeds Industry Furnaces

Limestone is a rock consisting chiefly of calcium carbonate, usually formed under water from organic remains such as sea shells.

Proof of its origin is easy to find at **Dominion Steel & Coal Corp.** limestone quarries at Aguathuna, Nfld.

Shell formations frequently appear etched in the greyish stone, snails and other shell fish are found alive in the quarries, although the limestone is no longer at the water's edge.

Located in the Gulf of St. Lawrence between Corner Brook and Stephenville, Aguathuna is the source of limestone for Dosco's steel industry at Sydney, N.S., and also supplies other markets.

In the steel industry, limestone is used in the blast furnaces in large quantities and in smaller quantities in the open hearth furnaces to flux the unwanted and disadvantageous elements from the raw materials as they are reduced to liquid form.

In addition to helping the decomposition of the solids, the limestone promotes the fluidity of the contents when in liquid form and finally scavenges and accumulates the unwanted elements in slag.

A purified bath of molten metal remains in the furnace hearth after the slag, containing the unwanted elements and impurities, is drawn off.

In the open hearth furnace, the limestone also causes the metal to bubble and boil.

The steel industry also uses lime as an acid neutralizer, rust preventative and lubricant for the cold drawing of steel in wire and nail departments.

For 45 years Dosco's limestone operations have served the Canadian steel industry. There are extensive resources of outstanding quality advantageously located for economic quarrying, production and inexpensive transportation to markets.

A typical analysis of Dosco limestone, as shipped: Silica, 1.76; iron and alumina oxide, 1.10; lime, 51.92; magnesia, 1.95; loss on ignition, 43.27.

The operation has a normal output capacity of 3,500 tons of limestone per day and employs a force of 73 people.

Previous to 1913, the **Dominion Iron & Steel Co.** at Sydney, N.S., the principal user in the Dosco group, obtained limestone for production of steel from several quarries in Cape Breton.

The deposits, however, were either not sufficiently extensive, inadequate in quality, the overburden too great to permit economical quarrying or the transportation cost of the product too high.

As a result, management determined in 1910 to explore the possibility of obtaining limestone from other quarries at a lesser cost per ton.

Many people in Newfoundland knew there was an abundance of limestone on the west coast in the vicinity of Port au Port.

When D. H. MacDougall, then general manager of Dominion Iron & Steel, learned of its abundance there, he had the property explored and eventually took an option on 1 sq. mi. of the limestone deposits on the Port au Port Peninsula in St. George's Bay.

On Oct. 19, 1910, Arthur House, former resident superintendent at Aguathuna, and John Midgley, a U. K. engineer, began prospecting the deposits to determine if it might become a future supply source for the Sydney steel plant.

Only 200 mi. from Sydney, sponsors of the proposal anticipated that if the product could be loaded into larger boats, the eventual cost per ton of limestone delivered at Sydney would be less, and, their judgment has proved sound.

Located halfway between Gravels Beach and Boswarlos, a small farming and fishing settlement, the settlement of Aguathuna now forms a picturesque setting in a colorful and romantic area.

Strange-shaped limestone formations, hewed from the solid stone by erosion and the wear of mountainous waves sweeping from the north, dot the shores.

Some of these formations rise as high as 50 ft. and legend has it that one of these looked so much like the Jack of Clubs playing card that British sailors visiting the area before the turn of the century gave it the nickname "Jack of Clubs Cove."

On Oct. 24, 1911, seven community leaders officially petitioned Newfoundland Postmaster General, Henry R. Woods, to change the name.

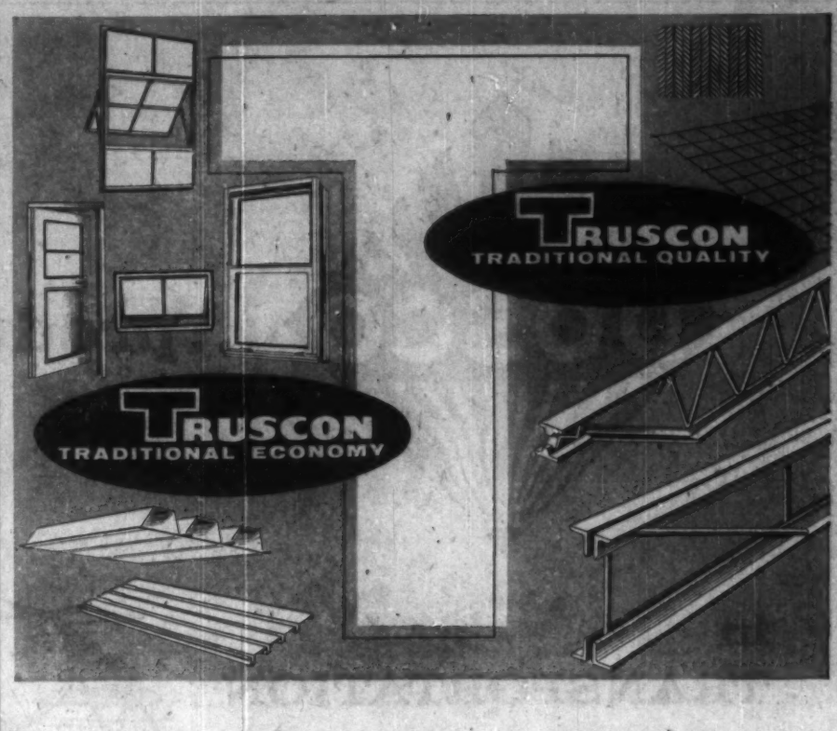
Claiming that the name "Jack of Clubs Cove" did not appear to be of great antiquity, not consecrated with hallowed memory, nor suggestive of very elevated associations, they proposed the name "Aguathuna."

Aguathuna is the aborigine Indian word signifying great white rock and had been suggested by Archbishop Howley.

The petition was granted and the community assumed its new name.

But, the Cove in Port au Port Bay which the community borders still is frequently known as "Jack of Clubs Cove."

IT IS estimated that structural shape and plate capacity will take a 20% increase over the largest demand yet experienced.



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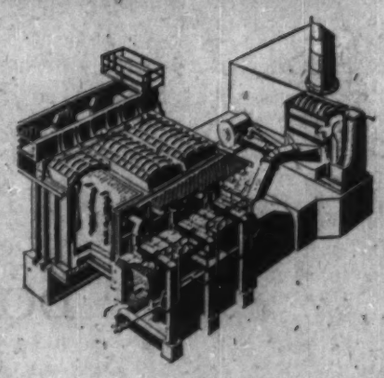

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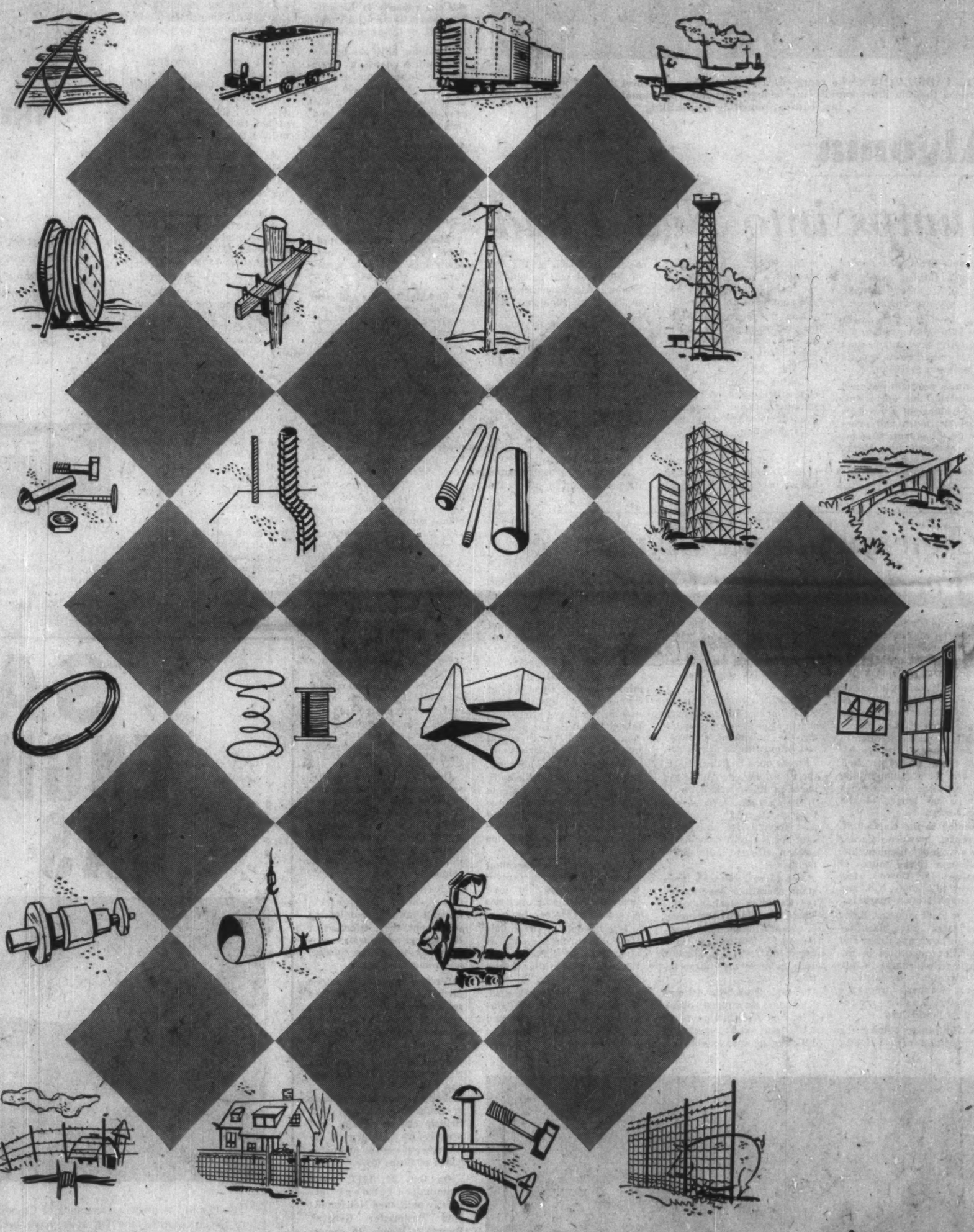

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The Financial Post

Vol. LIII | Member of Audit Bureau of Circulations | Publication Office: Toronto, July 11, 1959 | Twenty-five Cents an issue, Eight Dollars a Year | No. 28

Here's Inside Story Of a 'Sleeper' Stock

Meet Teleflex Ltd., the Toronto company with a staff of six, whose bustling subsidiaries in the U. S. have pushed the stock from $3 to $35 since last September . . .

By RODNEY TOUCHE

Stock market traders, professional and amateur, like nothing better than a "sleeper".

A "sleeper" is a stock that after a long record of trading at a certain level, suddenly catches the attention of investors and rockets up. They feel its merits have been overlooked.

Rising markets, like those of the last 18 months, intensify the search for "sleepers". Some are found by accident; others are caught in the spotlight of a stock promotion.

One of the exciting sleepers, awakened apparently by accident during the current market climb, is the unlisted stock of a hitherto obscure Canadian company that makes nothing more dramatic than a range of mechanical controls and linkages.

The Teleflex Stock Climb

	Bid	Asked
1958		
Aug. 29	2.80	3.20
Sept. 30	3.40	..
Nov. 28	5.20	OW
Dec. 31	6.20	OW
1959		
Jan. 30	8.60	..
Feb. 27	12.50	OW
Mar. 31	..	20.50
Apr. 30	21	22
June 3	22	23.25
July 1	35	36.50

Note: Adjusted for split.
OW—Offerings Wanted.

Its name: Teleflex Ltd., of King St. W., Toronto.

Until 11 months ago, the stock of Teleflex traded for many years within the range of $9-$18. With 49,559 shares outstanding, the market was putting a value on the net worth of the company, at the top of the range, of $892,062.

The "sleeper" began to awaken in September, climbed from $14 to $43 in four months.

In January this year, the stock was split 5-for-1, increasing the issued capital to 247,795.

The split stock had climbed to $24 (equivalent to $120 on the pre-split price) by the end of May, when 42,000 treasury shares, together with 25,000 shares held by a major shareholder in the U. K., were offered at $20.50 by U. S. underwriters.

The offer was greatly over-subscribed.

Since the end of May, the stock has appreciated another 70% to $35 (equivalent to $175 on last September's $14 stock).

The market is now putting a value of some $10.4 million on the assets and operations of Teleflex.

Stock price of $35 is no less than 67 times the company's 1958 earnings of 52c per share and 41 times its previous peak (1955) of 85c.

It is 20 times anticipated 1959 earnings of $1.75 per share.

This is high in comparison with other stock prices (roughly 14-15 times earnings) and remarkably high in relation to the ratio at which Teleflex has sold in earlier years.

Last September's stock price of $14, prior to its split, was 3.9 times 1957 earnings and 4.6 times 1958 earnings.

What is Teleflex?

There have been some misleading rumors in the course of the stock's market climb, partly because there was so little known about the company. One recent rumor went like this:

"Teleflex makes a special kind of flexible cable. It is now building a plant in the U. S. to supply this cable to General Motors for its new small car. The cable is used in place of the transmission shaft and since it is flexible, it eliminates the tunnel in the middle of the floor."

The story is a half truth.

Teleflex has three leased plants in the U. S., operated by subsidiaries. Principal product is flexible cable, in various forms, which has been supplied to General Motors for some 10 years for use on trucks.

Teleflex engineers submitted to GM a cable design that would operate the gear change mechanism of the car with rear-mounted engine which it is known to be making. The design has not yet been accepted. Such a car, however, would have no transmission tunnel, not because of the cable but because of the rearward location of the engine.

Company's main product, Teleflex cable, basically, is nothing more complex than ordinary flexible cable bound together by a single spiral of wire. The single wire is spaced so that it can be meshed with the teeth of a gear wheel.

The arrangement gives the cable a wide range of uses in remote controls. It can be used, for example, to open and close high windows in factories, or valves in jet engines or outboard motor throttles on pleasure boats.

In the terms used by an engineer, it can be used as linkage transmitting push-pull or rotary motion, or converting one to the other.

There are many other ways of doing these jobs. A piece of string, for example, will do many of the same things. The claim of Teleflex to superiority is based on the precision of its manufacture, its resistance to temperature changes, and its freedom from friction.

Teleflex cable was invented first in the U. K. about 1934 by two aircraftsmen in the Royal Air Force who wanted to mount a radio in the rear of an airplane. They took out a patent, which was later sold by auction by the government.

In due course, the company which bought the patent, **Teleflex Products Ltd.**, came under the control of Sir Foster Robinson, of Somerset, Eng. He sent a sample of cable to a friend in an aircraft company and it was adopted for use. In World War II it was taken up by other aircraft manufacturers.

In 1940, when the **Hawker** Hurricane

(Continued on page 26)

DOBSON

CHISHOLM

Meet the People Behind Teleflex

The people behind **Teleflex Ltd.**, Toronto.

In Canada:

● R. Christopher Dobson, president, 51, British-born graduate of Oxford University (economics, contract law) who emigrated to Canada in 1935. His first job: selling vacuum cleaners.

Dobson's main activity is running **Radio College of Canada**, Toronto, which he took over in 1937 with his Canadian brother-in-law, Cameron Chisholm.

The only other officer of Teleflex in Canada is A. Wallace Stringer, secretary-treasurer, who also doubles as secretary-treasurer of Radio College of Canada.

Head office and Canadian operations of Teleflex are managed from the Radio College building. Total staff of the company in Canada is about six.

In the U. S.

● M. C. Cameron Chisholm, chairman and director of all three Teleflex subsidiaries in the U. S., is the chief operating man in the business. A former Toronto lawyer, he moved to the U. S. in 1943, becoming a U. S. citizen.

The Teleflex subsidiaries in the U. S. employ about 500, including some 75 engineers.

● **Other directors of Teleflex Ltd. are:**

Sir Foster Robinson, uncle of R. C. Dobson, chairman of **Teleflex Products Ltd.**, the English operation from which the North American business first sprang.

M. C. Cameron Chisholm Jr., son of chairman Cameron Chisholm.

Victor Robinson, chief engineer of Teleflex Products, London, Eng.

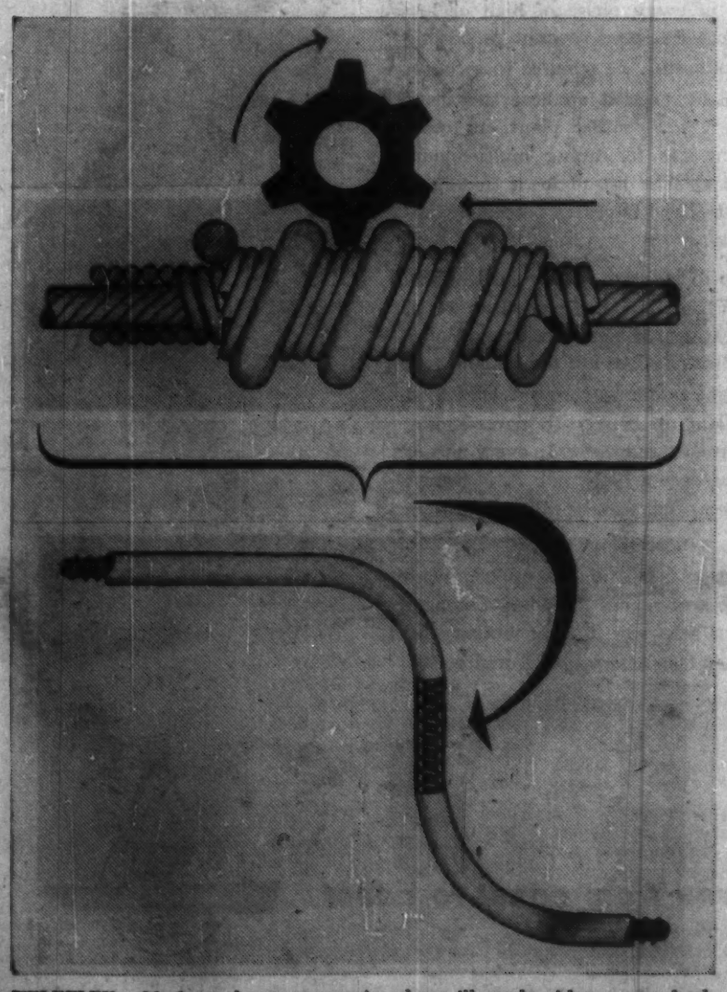
John Stewart, partner of **Baxter & Stewart Inc.**, Philadelphia investment counsel.

John Remer, partner, **Drexel & Co.**, Pennsylvania, investment bankers.

John Tyson, partner, **Hutchison Rivinius Ltd.**, Pennsylvania, insurance.

Andrew Sturrock, Philadelphia, secretary-treasurer of the three U. S. subsidiaries.

● **Major shareholders of Teleflex Ltd.**, with their holdings at March 31, 1959: Cameron Chisholm, 44,350 shares, plus an option to purchase 31,500 shares; R. C. Dobson, 29,440 shares; and Teleflex Products Ltd., Eng., 48,859 shares, subsequently reduced to 23,859.



TELEFLEX cable has a heavy outer wire that will mesh with a gear wheel. The cable runs in rigid conduit or the company's newly-developed flexible outer casing. (See article for detailed description.)

Can Air Crash Cripple Your Top Executive?

Take another look at your company's executive travel regulations, and check them against the risks and what other companies are doing . . .

By DAVID FRANCIS
and VINCE LUNNY

Eight executives of **Continental Can Co.**, New York, were killed when their company's aircraft hurtled out of an overcast sky last week and virtually disentegrated in an Ohio wheat field.

This tragedy has once again reminded Canadian company presidents of the risks involved in permitting top brass to fly together (**FP**, June 9, 1956).

An **FP** spot check indicates that about half of Canada's big companies limit the number of executives permitted to fly in the same plane at the same time.

Presidents recall that several firms have suffered heavy losses of top management at one crash.

● In 1956 in the U. S. a **Crane Co.** plane crashed. Top sales ranks were decimated when six senior men including two vice-presidents were killed.

● In 1955 an **Ontario Hydro** plane ran into severe icing conditions and crashed 4,000 ft. short of the London, Ont., airport runway, killing Chairman Robert Saunders.

● A home-made time bomb exploded in a **Canadian Pacific** airliner near Quebec City. Twenty-one persons died, including the president, president-to-be and senior vice-president of **Kennecott Copper.**

Yet flying in company aircraft is remarkably safe, if rated on a mileage basis.

In the U. S., figures for 1956 — the latest available — show that company-owned aircraft flew 4,300,000 hr. in that year, 1,000,000 more than all scheduled airlines.

There were 0.49 fatalities per 100,000,000 mi. This compares with 1.03 fatalities for scheduled airlines and 2.85 for automobiles driven in the same distance.

A the moment there are an estimated 600 business and executive aircraft operating in Canada.

This is said to be double the number of such aicraft operating two years ago.

One forecast is that by 1965 there will be 1,600 new executive aircraft flying in Canada and this estimate was rated as "conservative".

This means more company heads will be faced with this decision in the years ahead:

▸ **Let executives fly together** in the most economical, convenient and time-saving way when traveling in the same direction at the same time.

▸ **Or split up traveling brass into separate aircraft** to avoid the risk, admittedly small, of losing top management in one crash.

One point made by a Montreal aviation man:

After the war many companies bought bombers and converted them for use as executive planes. The attraction was that they were cheap and fast.

But, he claims, they don't measure up in safety to such as the DC-3 and Convair, regular civil airliners.

He says what trouble there has been with executive planes has been largely with converted bombers.

Lst week's Continental Can crash was of a converted B-26 Martin Marauder. The Crane Co. crash also involved a converted bomber.

How some firms rule on air travel . . .

Policy of a number of companies, most with their own aircraft:

● **Ontario Paper Co.:** When a senior executive and his immediate subordinate go some place, they do not travel together. The senior executive takes a company plane; the subordinate a commercial aircraft.

"It imposes some hardship on some of our executives," said James E. Vallillee, executive vice-president.

Firm has a DC-3 and Grumman Mallard.

● **Massey-Ferguson Ltd.:** No restrictions.

"If you are going to use executive aircraft, you are going to have to accept the risk of having a number of executives in a single plane. However, it would be a pretty rare occasion for us to have two or three senior executives in the same airplane."

Firms make a pilot sole judge of whether it is safe to fly. "Nobody fires him if he refuses to fly if the weather is marginal."

● **Canadian Breweries Ltd.:** The top two executives of the same department or of the same subsidiary are not permitted to fly together. If the chairman of the board, president and executive vice-president were traveling to the same place, one would have to travel on another aircraft.

Firm operates **Beechcraft** and Grumman Mallard.

● **Ontario Hydro Electric Power Commission:** There is an unwritten rule that senior executives do not travel together.

● **Eastern Canada Stevedoring Co.:** No restrictions. The company has seven planes including a DC-3 which is exclusively for executive use and has carried as many as 14 key men at one time.

● **T. Eaton Co.:** Has no restrictions on use of its executive aircraft, but says it has had no occasion for a large number of senior executives to fly together.

● **Duplate Canada Ltd.:** Not more than six executives permitted to fly in one aircraft, whether a public carrier or the firm's DC-3. "We hope that many will not fly together too often," said L. W. Currell, secretary.

● **Canadian Westinghouse Co.:** No policy. Executives, if headed for the same location, go together usually in the most economical way, firm spokesman said. One company aircraft is located at Hamilton.

● **North American Life Assurance Co.:** No more than two top executives or agency heads permitted to fly together.

● **Distillers Corp.-Seagram's:** No restrictions on public carriers. Company does not anticipate buying an executive plane.

● **Du Pont of Canada Ltd.: Nothing official.** "Sometimes we have more aboard a plane than we would care to lose." Has no executive plane.

● **Texaco Canada Ltd.:** Unwritten law in parent company, applicable here, restricts flights to two or three executives. Has no executive plane.

● **Dominion Steel and Coal Corp.:** No defined policy, but adopts a cautious attitude. Last year when a large group of Dosco key officials was flying to Chicago, it was decided to use two planes.

● **Iron Ore Co. of Canada:** Company operates practically a regular service into Seven Islands and its mining properties. No restrictions.

● **Angus Robertson Ltd.:** No restrictions on executive plane, a joint venture with **H. J. O'Connell Ltd.**

● **Abitibi Power & Paper Co.:** Unwritten rule to split up management. Firm has DC-3 for executive travel.

● **British American Oil Co.:** No more than two or three company officers and a few directors permitted on a single plane. Firm has two Learstars and a Lodestar.

● **Imperial Oil Ltd.:** A large group of executives or directors would be split. Company has **Convair**, DC-3 and Lodestar.

● **General Motors Products of Canada Ltd.:** No known restrictions. Canadian executives have parent company executive planes on call.

● **Ford Motor Co. of Canada:** No longer adheres to any restrictions. At one time it split up executives, but practice was dropped in favor of convenience in getting top men to same place at same time. Firm no longer has company plane.

● **Canadian General Electric:** Has decided to formalize an "understanding" that not too many executives would travel together into a written pronouncement as to what officers can travel in the same aircraft.

According to **Timmins Aviation Ltd.**, which operates and services executive planes, there are few restrictions, but most flights involve only one or two persons apart from crew.

ANNOUNCEMENT

FEDERATION INSURANCE COMPANY APPOINTMENT

DR. W. VOLZ

L. W. Blair, President and Managing Director of the Federation Insurance Company of Canada, is pleased to announce that at a Meeting of its Board of Directors, Dr. W. Volz was appointed Secretary of the Company.

Dr. Volz was educated in Switzerland where he worked for several years with the Swiss Union General Insurance Company Ltd. during which time he was also with two of the Company's agencies.

Prior to this he received the Degrees of Licentiate of Economics at the Swiss Graduate School of Economics & Public Administration and of Doctor of Political Economy at the University of Berne.

He joined the Federation Insurance Company of Canada in 1955.

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Here's Inside Story Of a 'Sleeper' Stock

(CONTINUED FROM P. 25)

fighter was being built by **Canadian Car** at Fort William, it was considered necessary to find someone to make Teleflex cable in Canada.

The group that bought the North American rights was headed by Sir Foster Robinson's nephew, R. C. Dobson, then running a radio college in Toronto, and Dobson's business partner and brother-in-law, Cameron Chisholm, a Toronto lawyer.

Teleflex Ltd., the Canadian company, was set up on a capital of about $25,000, subscribed by Dobson, Chisholm and "two or three friends," Dobson relates.

It was engaged 100% on war work from 1940 in a small plant in Toronto. In 1943 it expanded to the U. S., where Chisholm started a wholly owned subsidiary, **Teleflex Inc.**, in Philadelphia. Chisholm is now a U. S. citizen.

"At the end of the war, we couldn't find any civilian business and things looked pretty grim," Dobson says. "We concentrated on looking for business in the U. S., because you can't sell products to a manufacturing subsidiary unless they have been adopted in the original design by the parent company."

To keep going at this time, the company issued $80,000 convertible notes, 80% of which had to be taken up by the three principal shareholders.

Business was found mainly from the aircraft industry, but markets have been gradually developed among manufacturers of automotive and agricultural equipment, guided missiles, nuclear reactors, marine craft and air-conditioning equipment.

The aircraft industry, however, accounted for 85.5% of total sales in 1957 and 74.8% in 1958. Nuclear users accounted for 5.2% of sales in 1958, the first year in which this field represented a significant market.

The company's business has been confined almost entirely to the U. S.

Teleflex Ltd., the Canadian parent company, acts mainly as a sales agent in Canada. It also markets small quantities of window operating mechanisms bought from Sir Foster Robinson's company in the U. K., Teleflex Products, which now has 8.2% interest in the Canadian operation.

The original U. S. subsidiary, Teleflex Inc., leases an 80,000-sq.-ft. factory in North Wales, Pa. It engages mainly in production of low volume, high precision components for aircraft and nuclear applications.

The growth of other business led to the establishment, in June, 1958, of a second subsidiary, **Flexatrol Inc.**, also in North Wales, to manufacture a special kind of flexible outer casing for the Teleflex cable.

In March this year a third subsidiary, **Teleflex Industrial Products,** was set up in a leased 35,000 sq. ft. plant at Boyertown, Pa., to take over high volume production, mainly for industrial use.

The sales graph shows a steady climb — from $2.2 million in 1954 to $4.1 million last year. Government work has accounted for 75% of this total until last year, when the percentage dropped to 66%.

A sharp upturn in sales occurred this year. In the first three months the total was $1.6 million, compared with $908,961 a year earlier. The increase came in non-government work, which accounted for 56%, compared with 35% last year.

Among important non-government users are **Ford Tractor, International Harvester** and **Outboard Marine.**

Figures for the second quarter have not yet been published but **FP** understands that the level of sales was maintained, bringing the first half 1959 total to more than 75% of the preceding 12 months.

Earnings have not always followed the sales trend. They reached a peak in 1955 of $180,868 (equivalent to 85c per share on 229,385 present shares outstanding), dropping down the following year to $116,175 (51c). The fall is attributed to the company's move to new premises — a rented plant in North Wales, Pa.

Earnings in 1957 amounted to $175,332 and in 1958 to $151,362. On the basis of the 289,795 shares now outstanding, this is equivalent to 60c per share in 1957 and 52c in 1958.

First quarter 1959's earnings were equivalent to 44c per share, compared with 8c in the comparable period a year ago.

The sudden growth in business that occurred in the closing months of 1958 and is currently being maintained, is not attributed by the company to any one development.

Says President R. C. Dobson: "If you do enough missionary work, something eventually pays off. We have been promoting our product for years. Demand for it has suddenly started to snowball."

How much further growth lies ahead?

"I can't possibly predict. There is no way of knowing how much faster, if at all, sales might climb," he says. "We are confident of maintaining a steady volume of business and we are aware of its huge potential."

He estimates, however, that sales this year may reach $6 million, an increase of some 50% on 1958. Earnings at this level might approximate $1.50-$1.75 per share.

Executive Funds Add Cdn. Stocks

MONTREAL (Staff) — Net asset value per share of **Supervised Executive Funds** declined slightly during the second quarter.

Reason, funds' managers say, is that stock market prices ended their rise in the second quarter and declined moderately in contrast to improved earnings reported by many industries.

During the quarter, fund increased the Canadian growth portion of the portfolio and reduced the U. S. growth portion. To June 10, 3% of total assets of Executive Funds was switched from the U.S. section to the Canadian growth section.

At June 10, funds' assets comprised 70% income portion, 13% Canadian growth and 17% U. S. growth. This compares with 69% income, 10.5% Canadian growth and 20.5% U. S. growth at March 10.

Here is the net asset value per share of the four Executive Funds:

Fund	June 10 $	March 10 $
1955 executive funds ..	37.91	38.58
1956 executive funds ..	31.09	31.64
1957 executive funds ..	5.33	5.42
1958 executive funds ..	5.68	5.78

Growth Fund Value Dips 5.1%

MONTREAL (Staff) — Net asset value per unit of **Supervised Growth Fund** dropped from $1.98 March 10 to $1.88 June 10 — a decline of 5.1%.

Fund manager says the drop reflected stock market action in this period.

Other than cash and credits, all fund's investment is in common stocks.

Only portfolio changes in the period were purchases of 100 shares of **Bank of Montreal** and 100 **Banque Canadienne Nationale;** and sale of 25 **Asbestos Corp.** and 500 **Steinberg's A.**

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9003

Everybody's Buying Land In Vancouver

Well, almost everybody, according to this special report on real estate in the West Coast city . . .

From Our Own Correspondent

VANCOUVER — Real estate profits in mushrooming Greater Vancouver are pulling in investment money from a host of sources.

Symptoms of the scope and growth of the real estate business on the West Coast — the California of Canada:

- **One quick count of housing subdivisions** under development in metropolitan Vancouver and its environs showed 54, large and small.
- **One of the U. K.'s largest fortunes** is now in the real estate business here.
- **Downtown Vancouver office buildings** are particularly popular with U. S. investors.
- **European money is going into office buildings,** apartment blocks and commercial property.
- **During the first quarter of the year,** for the first time in history, Vancouver beat out Toronto and Montreal in new house completions — 1,762 for Greater Vancouver versus 1,530 for Toronto, 1,179 for Montreal.
- **Waterfront industrial land** is pushing toward $50,000 an acre, is becoming scarce, and a variety of projects to reclaim land from the ocean are being proposed.
- **Investors range all the way from small investment clubs** "bankrolling" small contractors to U. S. real estate czar William Zeckendorf **(Webb & Knapp Canada Ltd.).**

One yardstick on the residential market: Sales through the multiple listing service of Vancouver Real Estate Board last year totaled $39,467,486, an increase of about $1 million over 1957.

A report released in March by Vancouver chapter, Society of Residential Appraisers, forecast a 5% rise this year in lot prices in City of Vancouver, a 10% increase in prices in adjacent municipalities such as Ladner, Burnaby and Richmond.

Land for housing developments in the city of Vancouver is rapidly diminishing. Lone major exceptions to this are the University of B.C. endowment lands, which is expected to become available for housing in coming years, and **CPR's** last block of undeveloped land.

But, hemmed in by the ocean, the metropolitan area's main expansion is eastward into Burnaby and up the Fraser Valley.

Opening of the Deas Island Tunnel will lead to rapid development of areas south of the city and of the Fraser River, such as Ladner, Delta and the Boundary Bay area.

Housing on the North Shore (North and West Vancouver) is already pushing up the mountain slope near the 1,000-ft. level.

Recent completion of the Howe Sound Highway northward has opened up limited housing areas northwest of the city proper.

In a recent deal, five comparatively small pieces of land — four of them downtown — some with buildings — were sold for $1 million.

The Toronto real estate investment company of **Tankoos Yarmon Ltd.** has channeled millions of dollars into Vancouver real estate.

Vancouver Real Estate Board, in a comprehensive study "Real Estate and Business Trends," which is just off the press, presents this picture of land values and how they have jumped over the last four years:

▸ **City of Vancouver:**

Residential property in a select district in the west section of the city sold for an average of $67 per front ft. in 1954. **The average cost per front ft. in 1958 was $146.**

In one east side district of the city, residential property sold for an average of $35 per front ft. in 1954. The figure was $106 last year.

Apartment block sites in various sections of the city ranged from $9,000 to $22,000 a lot in 1954. Last year the range was $16,000 to $45,000 per lot.

Commercial property on Granville Street — a main shopping street — has jumped from $45 per square ft. to $60 per sq. ft. On a downtown section of Georgia St., which is developing into a most fashionable office-hotel-commercial section, property ranged from $5 to $13.50 per sq. ft. in 1954. The figures now range from $11 to $25 per sq. ft.

Subdivided lot type industrial land has jumped from $190 to $308 per front ft. from 1954 to 1958, and acreage type industrial land has risen from $5,575 to $15,700 per acre.

Waterfront industrial land will run as high as $50,000 per acre, although that is a top figure.

▸ **Municipality of West Vancouver:**

Waterfront lots in this popular residential municipality (it has no industry), of one-third to one-half acre size, show this amazing climb: 1954, $4,950; 1955, $5,200; 1956, $6,750; 1957, $8,100; 1958, $11,250.

One-half acre lots in the British Pacific Properties have, in the same period, risen from $2,475 to $5,875, and a current price list offers 100-ft. frontage lots at $3,900 to $7,900.

Commercial land has increased from $300 to $500 per front ft.

▸ **District of North Vancouver:**

A 33 ft. by 120 ft. lot which cost $500 in 1954, last year cost $2,200.

In a newer area, a 100 ft. by 150 ft. lot was $1,200 in 1954, cost $4,200 last year.

North Vancouver district commercial property has climbed from about $14,000 to $40,000 per acre in the same period, while industrial land has jumped from $10,000 to $20,000 per acre, and industrial waterfront is up from $20,000 to $30,000 per acre.

The City of North Vancouver showed residential land at from $28 to $35 per front ft. last year.

▸ **Corporation of Delta:**

This sprawling region will be the scene of substantial southward expansion from Vancouver in coming years. Indications are that commercial property sells at an average of about $100 per front ft. and industrial land is given a rough value of $3,000 to $4,000 an acre.

Over the four years 1954 to 1958, lots appear to have risen from about $800 to $1,300 or $1,500. Some newer subdivisions, however, report lots available at from $1,800 to $7,000, although many of these lots have been created only within the last 12 to 18 mos. (The $7,000 lots would be sea-view sites.)

All prices are going up accordingly again this year.

These authentic figures will indicate just how profitable investment real estate has been in Greater Vancouver for some years now.

House prices have similarly jumped — doubled and even tripled in many instances.

In an actual district-by-district break-down of specific homes and their recorded selling prices over the years, Vancouver Real Estate Board provides this indicative picture:

- **A seven-room three bedroom house** with full basement which sold for $3,850 in 1937 when it was built, brought $7,000 in 1950, $13,500 in 1956.
- **A house with 1,400 sq. ft. living area,** six rooms, three bedrooms, with basement, sold for $11,000 in 1947, the year it was built, for $21,500 in 1957, for $22,500 in 1959.
- **A four-room, two bedroom house** which went for $5,800 in 1945, the year it was built, sold for $11,000 in 1956, for $12,200 early this year.
- **A house with 1,800 sq. ft.,** eight rooms, three bedrooms, full basement sold, when built in 1942, for $7,000. The selling price in 1950 was $15,500; in 1956 it changed hands for $23,500.
- **A seven-room, three bedroom house** with full basement sold for $4,200 when built in 1945. It went for $9,250 in 1947, for $22,500 in 1957 (better than a 500% increase in 12 years).
- **In a fashionable Vancouver district,** a house with 1,500 sq. ft., eight rooms, four bedrooms, 2½ baths, full basement and double garage, went for $35,000 in 1953, $37,500 in 1954, $42,000 in 1958.
- **A house with 1,378 sq. ft. of living area,** six rooms, three bedrooms, full basement, built in 1951, sold in that year for $14,500, in 1957 for $15,500 and later in the same year for $16,500.

Here are thumb-nail sketches of some of the now-building, or still-building housing developments:

▸ **Glenmore,** high up the slope of Hollyburn Ridge in West Vancouver, has completed 150 houses, has about 250 more lots to sell.

These, ranging from one-third to one-half acre, sell from $4,500 to $6,000. Glenmore's backers, who are active elsewhere in the west, have given the subdivision business a unique twist.

Everyone who buys a lot in Glenmore receives a free membership in Glenmore Country Club, for which eight acres has been set aside by the developers.

Tenders have been called to install the club's swimming pool.

▸ **Tsawwassen Heights** is but one of eight subdivisions underway or planned by one company in the Ladner area, across the Fraser River to the south of Vancouver.

Tsawwassen Heights, just north of the international boundary, has 20 acres, already has one $50,000 house.

Lot prices in this general area range from $1,975 to $3,500—but some sea view lots of quarter-acre size have gone for $9,500. Tsawwassen area is located about 17 mi. south of downtown Vancouver as the crow flies, a considerably greater distance by road.

In nearby Tsawwassen Place and English Bluff some 350 lots out of 1,300 have already been sold.

▸ **Gilmore Park,** the first subdivision in Richmond, the municipality immediately south of Vancouver, has 500 houses occupied since it was launched in 1956.

It's expected another 400 will be sold within the next 12 mos. Example: Three bedroom, split level, with 1,100 sq. ft., price, $13,900, down payment, $1,500. Richmond is about 6 mi. from downtown Vancouver.

▸ **Glenayre,** in Burnaby, the municipality immediately east of Vancouver, has some 150 homes occupied of an ultimate 1,500 houses on the 450-acre subdivision. Lots run from $3,000 up, homes from $14,000 to $19,000.

▸ **Lions Bay,** on Howe Sound, northwest of the city, has sold 60 of 280 lots at an average price of $4,000. Homes planned range from $10,000 to $50,000.

▸ **Harbor Chines,** located at Port Moody at the east end of Vancouver harbor, where CPR steel first reached the Pacific, has lots for $3,350; houses from $17,500 to $22,500.

▸ **Mary Hill Estates** has 350 acres in Port Coquitlam, 17 mi. east of downtown Vancouver. Eventually 1,100 homes, 20 acres of park, eight-acre shopping and commercial centre is planned.

Almost 90 homes have been built, 15 more now going up. Prices from $14,500 to $25,000.

▸ **Royal Heights** in Surrey, the municipality south and east of New Westminster (12 mi. in a straight line from downtown Vancouver), has 800 homes now occupied, 50 more under construction. Price range: $12,900 through $16,900.

The same developer has 60 homes in two other small areas, at prices from $13,500 to $14,800. Surrey municipality has some 60 sq. mi. earmarked for housing.

But boom or recessive period, there seems to be no stopping the run-a-way real estate investment and development pace in the Lower Mainland of British Columbia.

A recent survey by **Western Development and Power Ltd.,** the industrial development arm of **B.C. Power Corp.,** estimated that major industry in the Greater Vancouver area will require 1,800 acres within the next five to 10 years.

Existing and potential sites with suitable deep-sea frontage and access to rail lines is only 830 acres — indicative of the coming scramble for industrial land, and consequent higher prices.

But eyeing the Lower Mainland, real estate men and developers see large tracts of seashore which could be reclaimed — 10,000 acres or more in Boundary Bay, 4,000 acres at Sturgeon Bank, 400 acres at the head of Burrard Inlet, for example, plus more reclaimable land at Squamish, at the head of Howe Sound.

And there's virtually the entire, almost 100 mi. long Fraser Valley to the east of the metro area, with the Fraser River flowing through the valley's length.

HOUSING creeps up the mountains of North Vancouver. Harbor in foreground.

Population

Population of Greater Vancouver:

1941	390,659
1951	556,726
1952	565,819
1954	652,116
1956	658,895 (census)
1957	704,613
1958	734,130
1960	800,000 (?)

Where the Growth Goes

Value of building permits in $ millions:

	1948	1954	1956	1958
Vancouver	37.2	45.3	64.7	56.4
North Vancouver (district)	3.5	9.2	11.5	11.9
North Vancouver (city)	1.9	3.8	3.5	4.7
West Vancouver	2.8	5.3	7.3	8.2
Burnaby	8.1	26.4	18.1	20.5
Richmond	1.9	4.3	11.5	18.9
Surrey	4.7	9.9	12.9	26.6
New Westminster	3.0	3.6	3.5	3.9

ANNOUNCEMENT

STANDARD TUBE APPOINTMENT

E. J. LYDIATT

Mr. Verne T. Ross, General Sales Manager of Standard Tube and T.I. Limited, announces the appointment of Mr. E. J. Lydiatt to the position of Manager of the Vancouver office and warehouse. Mr. Lydiatt, a native of Calgary and former resident of Vancouver, has been a member of the head office staff of Standard Tube and T.I. Limited at Woodstock, Ontario, for the past several years.

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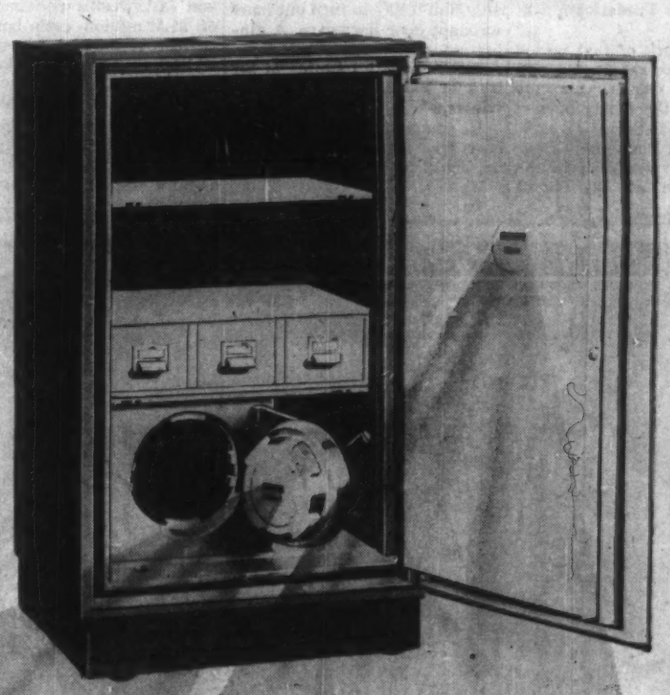

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Anvil Artist Hammers Iron Into Money

Special Correspondence

SAINT JOHN—"It's made of iron." The expression implies weight and strength.

To William Sonier of Saint John, it also means beauty.

An artist with an anvil, he has devoted the last decade to making household furniture of wrought iron.

Of French Acadian descent, William Sonier was born in the Memramcook district (southeast of Moncton, N.B.) around the turn of the century.

In the horse-drawn era of his youth he turned to the blacksmith trade. Later he came to Saint John where, for 22 years, he was maintenance man for a coal company.

Wrought iron work was his hobby. Part of his pay cheques went regularly into forges, bellows, hammers and anvils. He added an electric welder, an arc welder with acetylene gas flame and modern power tools.

In the post-war era, handicrafts were generally on the upsurge in New Brunswick.

Sonier, not without some hesitation, showed a hand forged table lamp to an official of the Guild of New Brunswick Craftsmen in 1949.

That was it.

Two years later a four-holder candelabra of his took a first-in-class at the Canadian National Exhibition and also a special grand prize for the best piece of metalwork in the entire exhibit.

A few weeks later he also took prizes at both the Saint John and the Fredericton Exhibitions.

A major work of that period was a fireplace set, in his own "fiddlehead" design, for the clubhouse at the newly opened Fundy National Park.

He quit his maintenance job and set up a workshop in the family garage at East Saint John.

Sonier believes wrought iron furniture has a special place in the modern home.

He says it's smart, durable and practical, easily cleaned and as much at home in today's living and dining rooms as yesterday's sunroom and verandah.

What's more, it's virtually impervious to hard treatment by youngsters.

Sonier does his own designing, drawing first on paper and working from these pencilled sketches.

Inspiration for some designs comes from New Brunswick leaves, such as oak, maple and water lily pads.

He has used the water lily successfully in a stylized pattern for a large coffee table with 1,600 hammer marks.

This piece went to the 1952 Pacific National Exposition in Vancouver for worldwide competition, coming away with another first prize.

Sonier uses foam rubber for his chesterfields and chair seats. He cuts it to exact measurements and fits it into place. The buyer can cover it with material to match any color scheme.

Dining, coffee and smaller end tables all have heavy glass tops.

Sonier sets the glass into the iron rims with a heavy black glue. Thus sealed, he claims, no dust ever seeps in.

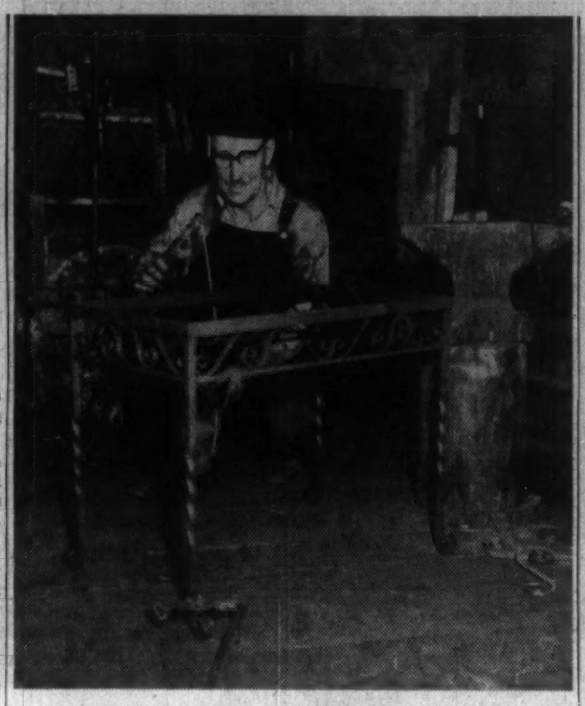
For hand forged chandeliers he uses spun glass and luma glass, both washable.

It takes him about three days to make a large coffee table but only half a day to turn out hand wrought door hardware. A dining set, of course, takes longer.

Sonier buys his supply of pig iron in Saint John during the winter.

It comes in different sized bars. The smaller ones he cuts by hand and the larger by power saw.

The iron is heated in the forge until it comes into red hot tongues, and is then hammered to shape on the anvil until it forms scroll work.



WILLIAM SONIER with welding rod and anvil.

Every piece of hand forged iron is finished with a special preparation to prevent rust and deterioration by weather.

Some are in antique finish, others in the popular Swedish finish, which is first blackened and then hammered so that the hammered parts come bright while the rest remains dull black.

Samples of Sonier's work were shown during the winter of 1952 at Rockefeller Centre in New York, where New Brunswick handicrafts were on display for two months.

Lord Beaverbrook was impressed. He personally placed an order for ornamental hand wrought pieces for "Aitken House" at Nassau. The design used for each piece included spear heads and scrolls.

Another outstanding Sonier project was a set of eight tables set with antique tiles, made for a Canadian industrialist.

Socred Bonus to Needy Seen B. C. Election Sign

From Our Own Correspondent

VICTORIA — The stunning Social Credit sweep in Alberta and last week's announcement of $1.5 million cash bonus to British Columbia's needy are adding fuel to speculation that Premier W. A. C. Bennett will call a general election this year.

Social Credit's celebration Aug. 1 of its seventh anniversary in office has been rigged up as pure election bait, opposition party members claim.

Symbolic bonfires will be lit up all across the province for burning of the province's "debt".

The Bennett administration's policy has been to reduce British Columbia's direct debt as rapidly as possible (FP, Feb. 28).

Meanwhile, its indirect debt has been rising considerably faster than the direct debt has decreased.

In his hometown of Kelowna, the premier himself will light the match to burn the actual mass of provincial bonds, to be transported there by armored car for the "mortgage burning".

Latest signpost pointing at an early election is the premier's announcement that $25 would be distributed in cash by the end of July to every old age pensioner receiving the provincial supplementary allowance and every head of a family receiving social assistance, and $5 for each dependent.

He said the cash bonus would be given as a "practical method" of honoring pioneers and the needy during the Queen's visit to the province.

Total cost of the gifts will be $1.5 million.

Reaction has been mixed. Along with the expected kudos, there were sharp criticisms that the gift was decided without reference to the legislature and that it was further proof of overtaxation.

Through it all the premier protested, "This has nothing to do with an election . . . there will be no election this year."

But election speculation continues.

Ethan I. Davis Named to Head Systems Group

Ethan I. Davis of **Prudential Insurance Co. of America** has been elected president of the Toronto chapter of the Systems and Procedures Association for 1959.

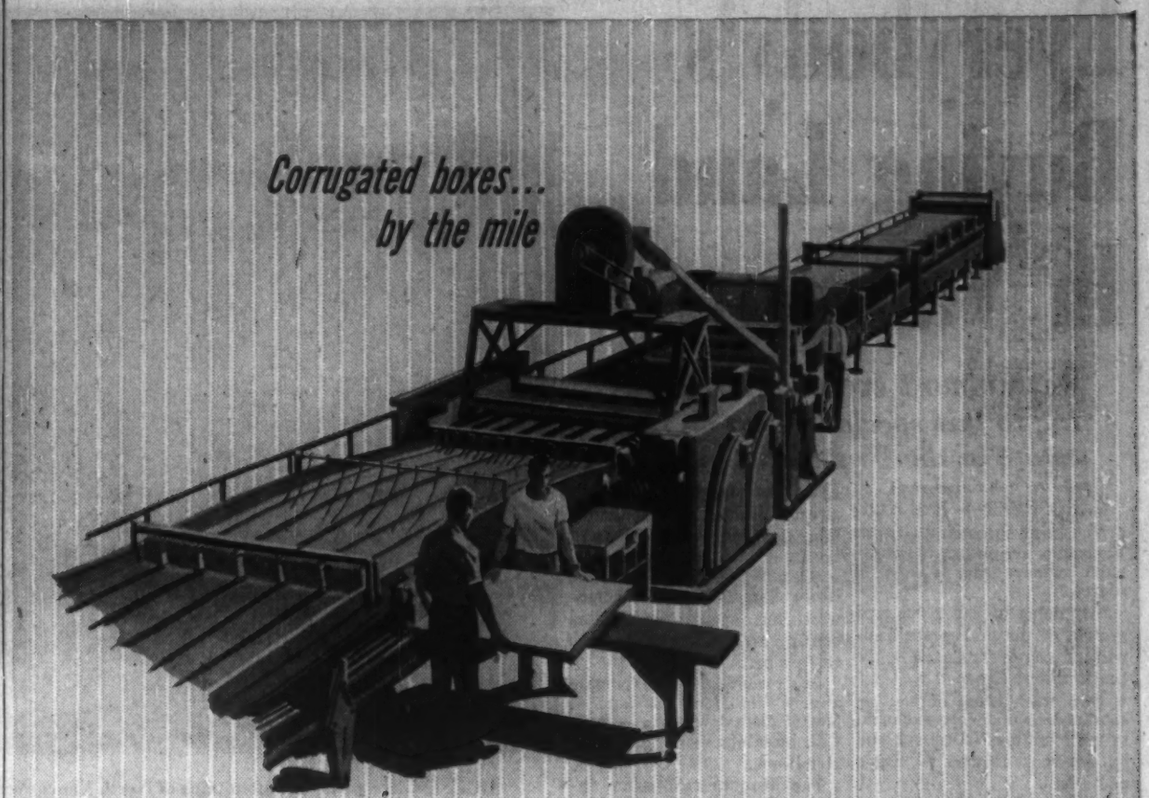
Other officers for the year are: W. D. Clarke, vice-president, P. H. Cooper, treasurer, H. S. Damp, secretary, A. G. Barclay and D. B. J. Morin, directors.

DAVIS

The Toronto and Hamilton chapters of the association will be hosts to the 1959 International Systems Meeting Oct. 12-14 at the Royal York Hotel, Toronto.

General chairman of the meet is G. K. MacDonell, governor and past president of the Toronto chapter.

The Toronto chapter, established in 1951, has a membership of more than 90 full-time administrators or specialists in systems and procedures. Objectives are to promote improvement in this field through study, education, research and exchange of ideas.



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Letter from London

Two thousand Canadians in London honor the Queen Mother while the Queen visits their homeland . . .

By ADELPHI

PARLIAMENT's summer vacation is close at hand and a very jaded bunch of people will soon fold their tents like the Arabs and more or less silently steal away.

Even Iron Man Macmillan has lost some of his gloss and looks as if he would like to seek some far-off island and muse in the sun on the world, the flesh and the date of the general election.

But first there will be the annual sports contest at Deauville where British MPs engage the French deputies in yachting, lawn tennis and golf.

As usual M. André, the casino king of Europe, will hold a great banquet in honor of the British team and there will be endless toasts, accompanied by endless bottles of champagne.

* * *

The wise boys at Westminster are saying that Macmillan has decided to spring an election in October. To adapt his own famous utterance the Conservatives "never had it so good".

So why wait?

The truth is that the present Parliament is badly in need of an infusion of fresh blood.

A large number of Tory MPs have already announced that they will not contest the next election, and having taken that decision they do not want to hang on any longer than is necessary.

* * *

At the moment there is a menacing situation in the newspaper world. The unions have brought about a stoppage in the producers of ink which has forced the provincial newspapers to shut down and has reduced the nationals in size.

To the credit of everyone the dispute has not produced any ugly incidents so far and it may well be that by the time these notes appear a settlement will have been reached.

The curious aspect of the whole affair is that on the stock exchange newspaper shares have declined by only a few pennies.

* * *

To turn to lighter things there has been the usual perfect Wimbledon weather for the annual slaughter of the British by the Australians and the Americans — as well as the South Americans.

The British try to blame it on the climate and the inability of their players to get sufficient tournament experience —and indeed there may be something in that argument.

But there is a growing feeling that Wimbledon should drop the pretense that the contestants are amateurs.

The truth is that the winning players have almost invariably taken part in championships all over the world. Who pays? Certainly not the players.

One of the reasons that the British win so seldom at Wimbledon is that they cannot follow the sun like the Americans and the Australians who play in tournaments while the English are competing with the vagaries of the British climate.

* * *

What is the "difference of opinion" that caused the resignation of Mr. Crawford Gordon as president and general manager of **A. V. Roe** in Canada?

The announcement was made here by Sir Roy Dobson, managing director of the **Hawker Siddeley** group after he had returned to London from a visit to Canada.

Sir Roy is a formidable figure who played an enormous part in producing the engines and planes that won the Battle of Britain.

But even then he came in conflict with higher authority more than once.

He has immense vitality and an agreeable sense of irony, but likes to have his own way.

That is what both Churchill and Beaverbrook found in the tremendous drive to get the machines into the air which won the Battle of Britain.

* * *

As usual on July 1 the Canada Club and the Women's Canadian Club held their dinners upstairs and downstairs at the Savoy.

In other words the sexes separate on this occasion.

To the credit of the women, their program finished 20 min. earlier than the one upstairs.

Nearly all speeches are too long, but in spite of that the customers come back each year to hear how splendidly Canada is growing and how loyal Canadians are to the Royal Family and the Commonwealth.

* * *

However it was not only the London Canadians who celebrated. Canadian High Commissioner in London, George Drew, had an admirable idea which was particularly topical.

Because the Queen was in Canada why shouldn't the Canadians in London, whether resident or transient, have a party for the Queen Mother?

Mr. Drew promptly secured the opulent setting of Lancaster House for the event and in due course the Queen Mother arrived and was greeted by a great and enthusiastic gathering of Canadians of all ages.

There were no invitations, but just an announcement in the press — an admirable device.

More than 2,000 Canadians turned up and crowded every inch of space.

One young Canuck arrived with a rucksack but he was persuaded to leave it in the cloak room.

In fact for a few days it looked as if Canada had made a take-over bid for Britain.

* * *

What can Wall St. do that Throgmorton St. cannot do better? The tape machines on the London Stock Exchange have just recorded an all time peak.

The reduction of the tax on beer has increased the consumption of that beverage and sent the brewery shares soaring.

Admittedly this may cost the Conservatives some votes from non-imbibers and the non-conformists but on the whole it has added to the government's popularity.

In addition the small British motor car is enjoying a world wide popularity.

It is in the British character to prefer a car which minimizes the consumption of gasoline and takes up the smallest possible parking space.

The long thrusting American car with its bow and stern like a destroyer on wheels makes small appeal to the British motorist.

But that is probably a sensible acceptance of the fact that Britain is a very small country with a very large population.

* * *

Then is everything set fair for the British?

Can they in fact go on holiday with the feeling that all is well and that it will grow even better?

Certainly they will invade the holiday resorts of Europe in huge numbers but not many will include West Berlin in their itinerary.

Two world wars were launched from Berlin and today Berlin is the greatest existing menace to world peace.

That is another reason why the British electorate will return Macmillan to power.

It is tough at the top and we need tough men at the summit.

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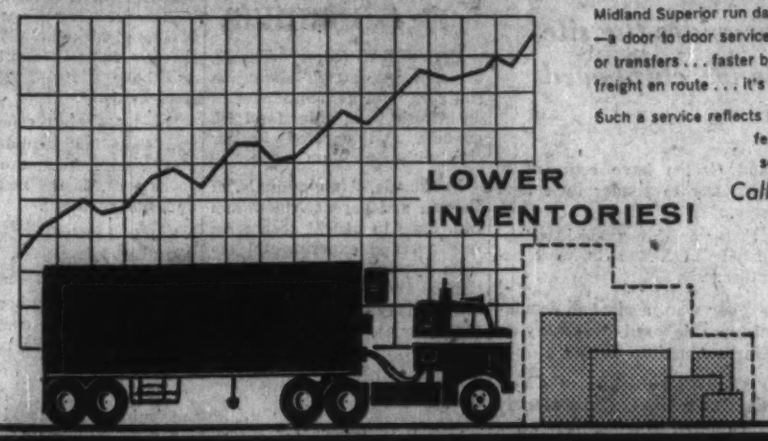

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Stinson to Resign CCF Leadership

From Our Own Correspondent

WINNIPEG — Provincial CCF leader Lloyd Stinson, defeated in the recent Manitoba election, plans to resign as head of the party at its annual convention in November.

While no official statement has yet been issued, Stinson wishes to retire from the provincial political field.

He was a member of the legislature for 14 years, from 1945 to 1959, and for two years was a member of the Winnipeg city council.

His place as House leader of the CCF has been taken by A. R. Paulley, re-elected last May in the suburban constituency of Radisson.

Stinson has a moderate-volume insurance business which he started 10 years ago as an anchor in event of defeat at the polls. He plans to develop it if he should retire permanently from politics.

There remains the possibility he may enter federal politics.

He was an unsuccessful candidate in South Centre Winnipeg in the 1945 federal election.

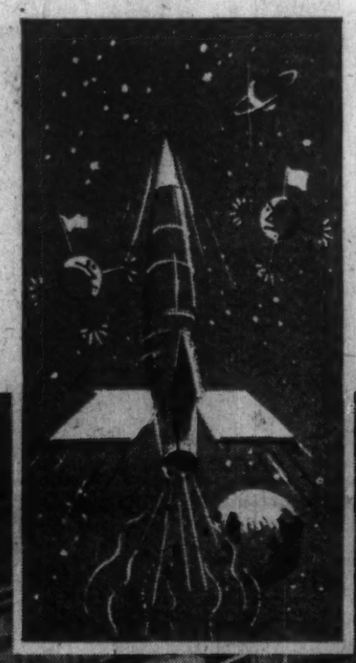
A likely constituency would be North Centre Winnipeg, long represented by Stanley Knowles and before that by J. S. Woodsworth.

U. of Sask. Issues Jubilee Year Book

The first half century of the University of Saskatchewan is described in a new booklet issued by the university.

Prepared by Dr. Lewis H. Thomas, associate professor of history at Regina College, the booklet is liberally illustrated with photos.

Titled "The University of Saskatchewan: 1909-1959," it is the second of a series of three publications being issued during the university's jubilee year. Copies at $1 each are available from the university.



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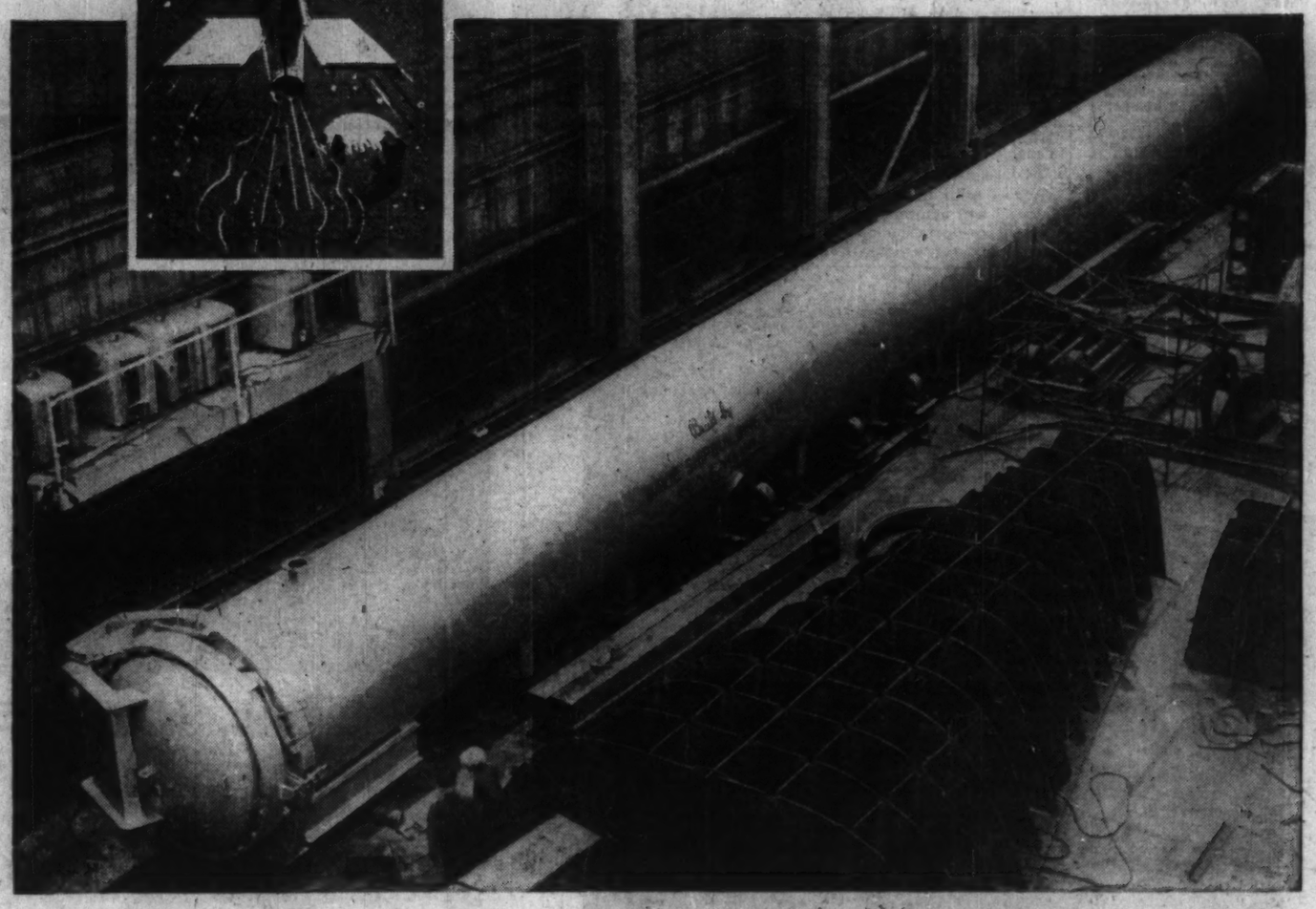

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Hint Hike in Gas Rates For Edmonton Consumers

From Our Own Correspondent

EDMONTON — A boost in natural gas rates for approximately 80,000 consumers in Edmonton and 60 communities in central Alberta is expected after August 1.

A decision given recently by the Board of Public Utilities commissioners on an application by **Northwestern Utilities Ltd.** for an increase of 29% in gross revenue clears the way for higher rates.

The board decided that the company's basic rate of return — 7.5% — should remain unchanged, though a higher rate had been sought by the company.

At the same time, the board gave the company permission to file a new schedule of consumer rates to show how it proposes to make up revenue deficiencies totaling $2,911,155 in 1959 and 1960.

No date has been set for the second phase of the hearings to consider the company's new rate schedule.

The board's decision says it appears impossible to have new rates effective "until Aug. 1 at the earliest."

In its 32-page decision, which followed public hearings on the company's application last winter, the board allowed the company's request that $1.5 million be included in the rate base as working capital. The city of Edmonton contended the amount should be reduced to $900,000.

Much of the rates battle involved the rate of return which the board should allow the company.

A company witness said this should be from 8.3% to 10.68%. City of Edmonton suggested rates of 6.5% to 7%.

Rejecting the company's bid, the board said it will make no change in the present 7.5% rate of return, holding "this will be sufficient to meet the cost of servicing the debt and preferred capital and will provide an adequate return to the common shareholders, maintain the financial integrity of the company and permit it to attract additional capital at reasonable rates."

In seeking a higher rate of return, the company had emphasized the requirements of its capital building program and also the prospects of higher costs in obtaining natural gas from producers.

In Calgary, where gas is supplied by **Canadian Western Natural Gas Co.,** an affiliate of Northwestern Utilities, the public utilities commission last March granted a rate of return of 7.75%, instead of 7.5% previously in effect. It was estimated this would mean a boost of $1 a month in householder bills.

Regina Approves Shopping Centre

From Our Own Correspondent

REGINA — Plans for a new $3,000,000 shopping development in Regina's west side have been approved by city council.

The project is to be built by **Canada Safeway Ltd.** this year on Thirteenth Ave. W.

It will include a supermarket, six other stores and a parking area for 148 cars fronting on Thirteenth Ave., with the stores set back on the lots about 200 ft.

MICROFILM DISTRIBUTOR

Charles Bruning Co. of Mount Prospect, Ill., will distribute and service the microfilm product line of **Documat Inc.** in both Canada and U.S. The products include microfilm cameras, readers and related equipment.

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ANNOUNCEMENT

SEIBERLING APPOINTMENT

J. B. PRESTON

A. P. Acheson, Vice-President, Sales, Seiberling Rubber Company of Canada, Limited, has announced the appointment of J. B. Preston as Sales Manager. Mr. Preston has been with Seiberling for twenty-one years and is well-known in the tire trade.

ANNOUNCEMENT

ELECTED PRESIDENT

J. S. LAND

J. S. Land, Vice-President and General Manager of Niagara Finance Company Limited, was elected President of the Canadian Consumer Loan Association (1959-60) at the Association's annual meeting held recently at Mont Gabriel, Que. Elected Vice-President of the Association was T. D. Lande, Community Finance, and as Treasurer F. S. Picard, Lucerne Finance. Other directors elected were C. M. Benadon, Beneficial Finance, C. M. Cawker, Seaboard Finance, F. J. Chalk, Trans Canada Credit Corporation, and F. C. Oakes, Household Finance.

U. K. Interests Plan N. B. Chipboard Mill

Idle textile mill provides the site for a sawmill and chipboard operation . . .

MONTREAL (Staff) — Work will begin immediately on establishment of a large sawmill and chipboard operation in Milltown, N.B., on premises acquired by U. K. interests.

Substantial financial resources are assured.

Site is the plant of **Textile Sales Ltd.**, idle for nearly two years.

A German firm interested in the site earlier may seek another location (**FP**, June 13).

A new company, **Milltown Enterprises, Ltd.**, is making the move. It is headed by William Lowenthal, president of **Richardson & Co.**, London investment bankers, with extensive timber interests in Rhodesia.

Company intends to:

- **Purchase forest holdings in New Brunswick.**
- **Build a 10 million bd. ft. mill** to produce pre-cut lengths for the U. K. market.
- **Use residue from the sawmill to make chipboard.** A ready market is seen among New England furniture manufacturers.

Lowenthal acted jointly with George Copping of Montreal, president of **Milltown Development Corp.**, in acquiring the Textile Sales property. The development corporation is associated with **Intertrade Ltd.** of Montreal which held an option to purchase the plant.

Owned originally by **Canadian Cottons Ltd.**, the plant offers 500,000 sq. ft. under roof on the navigable St. Croix River, 71 mi. from Saint John and only a few hundred yards from the Maine border.

Prior to the British acquisition, **Bahre Metal Works** of Hanover, Germany, had been negotiating with Milltown Development Corp. through its president Felix Bahre and managing director Dr. Ernst Greten.

The German company still might establish a New Brunswick-based Canadian subsidiary to manufacture chipboard from short logs.

Armed with market reports, statistics and assurance of government co-operation and municipal tax concessions, Bahre and Greten have returned to Germany to ponder their next step.

They are interested in establishing in New Brunswick because:

- **They want a plant to demonstrate chipboard machinery** to North American buyers.
- **They want a site near the New England market.** Maine already has offered to assist in locating a veneering plant at Calais, opposite St. Stephen, N.B., to use Milltown chipboard.

Meanwhile Lowenthal's group has started negotiations for sawmill and chipboard making machinery.

Lowenthal told **FP** he intends to purchase forest holdings in New Brunswick to assure his supply of raw material at minimum cost.

The sawmill will cut lengths for the export market. According to the U. K. bankers there is demand in U. K. for pre-cut lumber and the Canadian producers have not been supplying it.

A good deal is imported from the Scandinavian countries.

Residue from such a sawmill operation is ideal for chipboard manufacture and, according to Lowenthal, "inquiries reveal an extensive market in the region."

U.S. Rail Car Order Boost For Aluminum

MONTREAL (Staff)—There's big new interest in aluminum rail cars with announcement of an historic U. S. order for 1,205 gondola and covered hopper cars with aluminum bodies.

In Canada, **Aluminum Co. of Canada** and parent **Aluminium Ltd.** hope to benefit soon from research and experimental efforts directed toward construction of aluminum cars in Canada and many other nations (**FP**, July 4).

Increasingly this looks like a new, big-tonnage use for the light metal.

The U. S. order was placed by **Southern Railway System.** Company president said this would be a breakthrough in use of lightweight corrosion-resistant materials in car construction. The order, plus 35 other cars, reportedly will be worth more than $25 million.

Reynolds Metals is supplying 9,000 tons of aluminum for the job.

Observers from Southern and two of its car-builders have examined Alcan research and experience with aluminum cars, both in Canada and Jamaica.

The Alcan-owned **Roberval and Saguenay Railway** operates 140 aluminum hopper cars and "saving money every trip," says the company.

South Shore Steel Plants Plans Boost Land Sales

MONTREAL (Staff) — New land acquisitions this week gave two companies footholds against the day when Quebec province will have a full-fledged basic steel industry.

Dominion Tar & Chemical Co. and **Canadian Liquid Air Co.** purchased land in the Contrecoeur area, on the South Shore opposite Montreal.

Total involved: About 30 acres at a reported price of $5,000 an acre.

Neither company has any immediate plans for construction. Both want to be in a position to proceed should huge steel plants warrant ancillary industries.

Dominion Tar would be interested in tar distillation and associated coke production while Canadian Liquid Air, a subsidiary of **Air Liquide of Paris,** is among the top firms in engineering and construction of oxygen-making plants for steel operations.

Steel Co. of Canada expects to have its $10 million buttweld pipe mill at Contrecoeur in operation by the end of this year.

Meanwhile **Dominion Steel & Coal Corp.** and **Sogemines Ltd.** are undertaking joint financing of a huge mill.

In the first stage over $50 million will be spent on the South Shore on hot and cold rolling mills to make sheets, wide strip and plate.

To the west of Contrecoeur, in the district of Varennes, **Quebec South Shore Steel Corp.,** associated with **Hull Iron Mines Ltd.,** plans a small basic steel operation.

It will be designed and built by **Koppers of Canada Ltd.,** a wholly owned subsidiary of **Koppers Co. Inc.**

Koppers officials were in Montreal this week, reportedly to discuss financial arrangements.

Another development: **Triangle Brick Co.,** backed by Swiss interests, plans to start work in fall on a brick and ceramic plant. **FP** understands company has completed its financing and made arrangements for machinery.

Already operating on the South Shore is **Irving Oil Co.** which has a storage depot. Tankers will transport gasoline from Irving's Saint John, N.B., refinery for delivery to retail outlets in Quebec.

Fast expanding in the Quebec market, Irving Oil now has a string of service stations extending as far upriver as Longueuil.

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The City of New Westminster, British Columbia's Deep Sea Port and Industrial City on the Fraser River, invites tenders on the following Queensborough Toll Bridge Serial Debentures totalling $3,500,000.00.

Sealed tenders must be in the hands of the undersigned not later than 3:30 p.m., Pacific Daylight time, Wednesday, July 15, 1959, and marked, "Proposal for Bonds."

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City of New Westminster and Province of B.C. Guarantee

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Year	Principal	Rate Coupon	Year	Principal	Coupon Rate
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1961	nil	5½%	1973	181,000.00	5½%
1962	$100,000.00	5½%	1974	191,000.00	5½%
1963	106,000.00	5½%	1975	201,000.00	5½%
1964	112,000.00	5½%	1976	212,000.00	5½%
1965	118,000.00	5½%	1977	224,000.00	5½%
1966	124,000.00	5½%	1978	237,000.00	5½%
1967	131,000.00	5½%	1979	249,000.00	5½%
1968	138,000.00	5½%	1980	263,000.00	5½%
1969	146,000.00	5½%	1981	278,000.00	5½%
1970	154,000.00	5½%		$3,500,000.00	
1971	163,000.00	5½%			

Above Debentures due July 15 each year, 1962 to 1981 inclusive. Interest payable semi-annually, January 15 and July 15. Provision is made for registration of principal. Debentures are payable as to both principal and interest at the **Bank of Montreal** in major cities across Canada.

Debentures will be certified by the Inspector of Municipalities in accordance with Section 726 of the Municipal Act, R.S.B.C., 1957.

Principal and interest are subject to guarantee by the Province of British Columbia.

Parties tendering are required to state the net price for New Westminster or Vancouver payment and delivery of the securities.

If desired, delivery will be made elsewhere at the purchaser's expense.

No proposals for less than all the bonds will be considered.

The right is reserved to reject any or all bids.

See financial statistics and Engineer's report attached.

Wilfred A. Greene,
City Comptroller.

Note: Estimated Bridge Tolls are more than sufficient to offset operation, interest and principal, see Engineer's report.

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No Early Change To Newfoundland Woods Labor Laws

From Our Own Correspondent

ST. JOHN'S — The controversial amendments to Newfoundland's labor law will remain in force at least until some time next year.

Premier Joseph Smallwood has told union leaders there may be some "amendments to the amendments" at the next session of the House of Assembly. That means 1960.

Five local union leaders had petitioned Premier Smallwood for some changes in the new legislation which outlawed International Woodworkers of America following a strike this spring.

The change in the law had been bitterly criticized by organized labor across the country.

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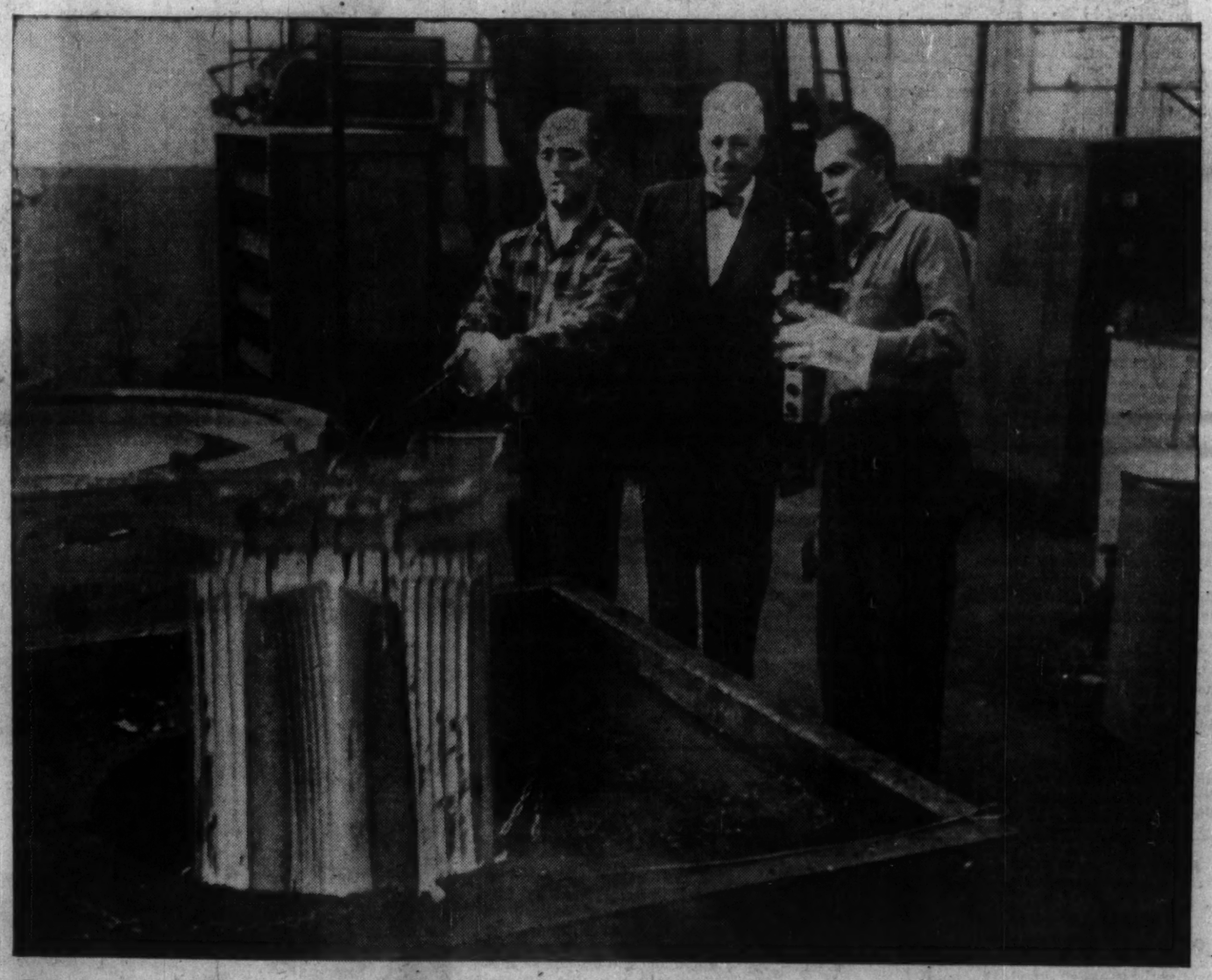

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Meet the decision-makers

Nearly 9 out of every 10 Post subscribers and newsstand buyers are in business, professions and government. In business, more than 80% belong to the influential buying teams: presidents, vice-presidents, general managers, sales managers, secretary-treasurers and other top management men.

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Every week, on the average, Post subscribers and newsstand buyers spend one hour and twenty minutes reading The Financial Post. On the average, remember. A sizeable group, over 70%, spend up to two hours with The Post, and an impressive 14.4% devote more than three hours a week to absorbing Post news on business, investments and public affairs.

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In the last 12 months, nearly 8 out of every 10 Post subscribers and newsstand buyers:

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Otherwise investigated products featured or advertised	17.0
Made or recommended an actual purchase as a result of seeing a product featured in Post editorial or advertising pages	15.5
Made changes in shop or office methods as a result of information contained in The Financial Post	12.0

(Many acted on more than one). Source: Gruneau Research Ltd.

Proof of Post leadership

Since June, 1955, The Post's net paid circulation has risen from 61,772 to 83,753—an increase of over 35% in just three years.

Nearly 80% of all Post subscribers spontaneously renew their subscriptions. This renewal rate is one of the highest of any publication in North America.

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News and views on the British securities markets, specially written for FP by one of London's distinguished financial writers.

U. K. Plaster Board Company Expanding Plants in Canada

A LONDONER'S FINANCIAL NOTEBOOK

BRITISH Plaster Board (Holdings), which makes a wide range of products, for the building industry, is planning a further expansion of its activities in Canada.

Capacity at the group's Winnipeg plaster board plant is being further extended and output of the Calgary plant, doubled early in 1958, is being increased again to meet growing demand.

A new plaster mill and board plant is going up at Vancouver and should be in production before 1960. The group's rock wool insulation company is stated to be showing a good return on employed capital.

Canadian activities of British Plaster Board are centred in two companies — **Western Gypsum Products** and **Westroc Industries.** Their requirements will account for an important share of group capital expenditure over the next year or two.

On the U. K. side, Chairman Sir Graham Hayman takes a confident view of the group's prospects and of the outlook for the building industry generally.

* * *

Although the labor troubles in the printing industry have tended to restrain activity, markets have continued mainly firm, helped by encouraging business and economic news.

Take-overs and mergers are still much in the limelight. Offers from three different sources have been made for Harrods, which owns one of London's best-known department stores and several stores in the provinces.

Now that **Yorkshire Insurance** has withdrawn its bid for **Scottish Union & National**, the way appears clear for the absorption of Scottish Union by the powerful **Norwich Union Insurance Societies.**

All three companies, and especially Norwich, handle insurance business in Canada (FP, June 27, July 4).

U. K. insurers are still complaining of losses on their motor business. There is not much doubt that premium rates will go up again both here and abroad, if present trends continue.

Insurers, anxious to keep on good terms with the public, want to hold their charges down as long as they can, but rising repair costs and increasing accident rates may force their hands.

Fortunately for U. K. motorists, premiums are lower here than in most other countries with high vehicle ownership. Insurance companies claim that the cost of insurance, viewed as a proportion of the cost of a car, has actually declined over the past 20 years.

* * *

Diversification continues to be one of the main policy themes at **Courtaulds.** This giant synthetic fibre group is now branching out into the manufacture of pulp.

In partnership with Colonial Development Corp., it is starting a £10 million project to produce in Swaziland, South Africa, unbleached kraft pulp for the paper and board industries.

The mill will have a designed capacity of 100,000 tons of pulp a year. It is planned to start production in the second half of 1961. Most of the pulp is likely to go to the U. K. and Europe.

Group Developments, the Courtaulds' subsidiary formed last year to help broaden the company's activities, has already bought four companies in the paint and packaging industries, and is on the look-out for further suitable acquisitions.

The group is in a strong position to undertake further expansion. It holds Government bonds worth about £20 million and another £3.5 million in Treasury bills and deposit receipts.

With **Courtaulds (Canada),** the emphasis seems still to be on textile fibres, but a start has been made on the manufacture of reinforced plastic boats. Aim is to capture a slice of the fast-growing North American market for small craft.

In the U. K., the main sections of the company's business continue to show improvement and the textile trade generally has a much larger order book than in the early months of the year.

On the cotton side, however, there is still considerable over-capacity and profit margins remain thin. Home trade in cotton goods has been good recently, but exports remain disappointing.

* * *

The ending of the credit squeeze has given a boost to building work. **Associated Portland Cement** has reported a 7% increase in deliveries this year and brick-makers are working all-out to meet a heavy demand.

* * *

Latest addition to the growing list of U. K. mutual funds is the **Commonwealth Unit Trust Fund,** whose chairman is Peter Thorne-croft, former Chancellor of the Exchequer. It has made an offering of 2,500,000 units at 10s each.

Object is to give small investors a share in economic expansion in Britain and the Commonwealth countries. Most of the fund's investments will be in well-established companies of proved financial strength.

The current list of authorized investments comprises about 100 leading stocks, of which the backbone is a selection of U. K. companies with large overseas interests.

Canadian stocks in the list include **Aluminium, Bell Telephone, Canadian Pacific Railway, International Nickel, Power Corp. of Canada, Royal Bank of Canada,** and **Toronto & Dominion Bank.**

Estimated gross yield on the units at the offer price is about 4¼%.

U. K. Stocks

(Supplied by Mackellar, Wisener Ltd., Toronto)

	—Recent— Bid	Ask	June 22 Bid
	$	$	$
Bowater Paper	7	7⅛	6¾
British Petroleum ..	6⅝	7	6½
Courtaulds	5.15	5.45	4.80
Daily Mirror	3.00	3.30	2.75
Ford of England ..	8⅞	9⅜	8⅜
Hawker Siddeley ..	3.75	4.00	3.65
Hudson's Bay Co. .	29½	30	29⅞
Imperial Chemical .	4¾	5⅛	4¾
Stewarts & Lloyds .	3.75	4.00	3.80

Bigger Profit For Brown Co.

MONTREAL (Staff) — **Brown Co.,** Berlin, N.H., continues to show improved profits this year, with net profit in the first 28 weeks of the fiscal year of $502,551 (19c per share) compared with $43,235 (2c) in corresponding 1957-58.

Company expects continued improvement for the rest of the fiscal year, which ends Nov. 30.

Net sales for the 28 weeks were $30.4 million, an increase of $2.5 million or 8.9% from the previous year. Company said paper and plywood production now was at capacity, with good order backlogs.

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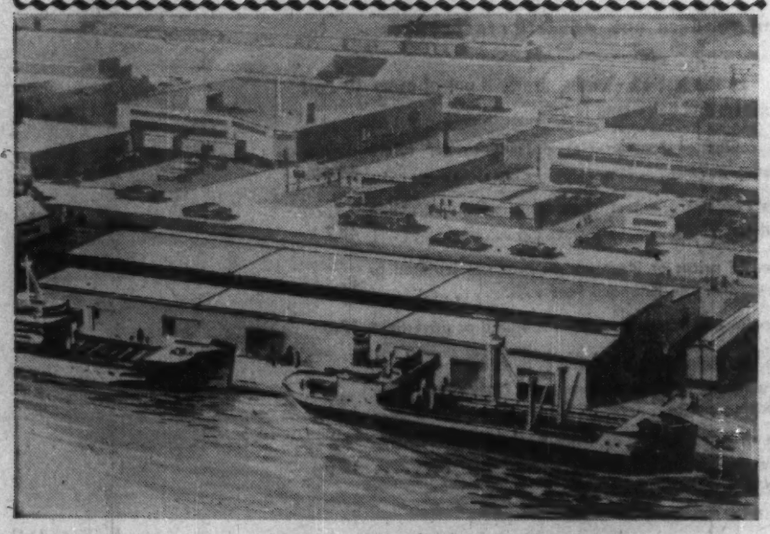

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How to Keep a Set of Books And Know Your Own Business

If you can't prepare your own balance sheet, you just don't understand your own business, says this writer . . .

By PHILIP CREIGHTON

If you can't prepare your own statement of profit and loss and balance sheet, you just don't understand your own business!

This is a strong statement but every survey of the causes of bankruptcy in business indicates that **lack of books and records and lack of understanding of financial statements are major causes of business failures.**

In this country last year some 3,486 businesses failed and of these, a substantial number were forced to close by failure to keep records.

Yet it will be argued that the small business man has not the time to become an expert accounting executive.

This is very true. One of the great problems of accounting for a small business, is designing a system of bookkeeping which is as simple as it can be while providing the businessman with all the information he requires.

But without attempting to describe any particular accounting system let's consider why successful businessmen keep books.

There are, of course, some obvious reasons.

1. An accurate record of accounts receivable and accounts payable are necessities for the successful conduct of any business.

2. Government authorities (e.g. income tax and sales tax departments) require every businessman to keep certain records.

3. Grantors of credit, either banks or suppliers, will require satisfactory records in order that they may determine what your credit limit should be.

(This point can be very important. More than one healthy business has been forced into bankruptcy through lack of up-to-date financial records. The owners were unable to convince a bank or a major supplier to increase or extend the credit limit at a critical time when such short term financing was urgently required.)

4. Should you wish to sell your business or a part interest in it, you have no other method of proving the established worth of your business than by its books and financial statements.

While all these are good reasons for keeping records, the main reason is that only by keeping records can you know what your business has achieved in the past, what mistakes you have made and what you should attempt to do in the future.

The financial statement of your business is like a report card from school. It tells you whether you passed or failed, and shows you why.

From the statement of income or profit and loss the businessman can learn:

1. The gross profit percentage, by lines sold or by departments, is one of the vital indicators of the health of a business. By comparison with last month's or last year's result you can see if you are both buying and selling at the right price.

By comparison with the gross percentage of other businesses in your line and the average percentages for your trade prepared by the Dominion Bureau of Statistics, you can measure the progress of your own business in your trade.

2. The percentages of the various operating expenses to sales.

The comparison of these percentages with last month's or last year's figures allows you to prevent any particular expense from getting out of line.

Here again, a comparison of your figures with DBS trade figures is invaluable.

If you are spending substantially more or less than the rest of the trade on some particular expense, you should do some hard thinking to see if you or everybody else is out of step.

3. The net profit before taxes, as a percentage of sales, should be compared with prior results. Any substantial change should be investigated carefully to discover the reasons.

Here again compare your net against DBS trade figures.

From the balance sheet, the businessman can develop the ratios listed below. These ratios, if you know how to interpret them, can unfold a wealth of information about any business.

All big investors and credit-granting agencies use ratio analysis of the balance sheet to determine the strength and potential of a company. The ratios discussed below are only a few of those in use today, but they are undoubtedly the most important.

Trends in these ratios, are often the first visible indications of substantial changes in the business.

Because they are so sensitive to any alteration in the business, it is vital to plot the trends by comparing the ratios of the current balance sheet with the ratios of prior years.

There is another reason for calculating the ratios.

They can help you learn a great many things about how you should conduct your business in the future.

For example:

Can you afford to withdraw part of your capital?

Should you loosen your credit terms?

Is it safe financially to expand the business?

The following ratios can't tell you the answer to this kind of question in so many words, but they can give you some awfully broad hints.

1. The current ratio is universally regarded as being the best test of the short-term strength of a business that there is. To calculate this ratio, you relate your **current assets to your current liabilities.**

A generally accepted figure for this ratio is 2:1 ($2 of current assets to $1 of current liabilities).

However, many businesses have had profitable careers without ever approaching the 2:1 ideal.

If the trend is toward 2:1 (that is, if current assets are increasing proportionately faster than current liabilities), then the current position of the business is getting stronger.

If the trend is away from the generally accepted standard, the business is becoming progressively less able to meet its obligations.

This serious condition can arise even where net working capital (current assets minus current liabilities) is increasing.

An example will make this clear:

	Balance Sheet A	Balance Sheet B
	$	$
Current assets	100,000	300,000
Current liabilities .	50,000	200,000
Net working capital	50,000	100,000
Current ratio	2:1	3:2

While the net working capital in balance sheet B is double that of balance sheet A, after paying all the liabilities in balance sheet A, one half the current assets are left.

In balance sheet B, only one third of the current assets would be left after paying off the liabilities.

If the current assets are of equal quality at the time of balance sheet A, the business had a much greater safety margin than it had at the time of balance sheet B.

2. The "acid test" ratio is another good test of the short term financial strength of your business. This ratio is calculated by relating **current assets minus inventory to current liabilities.**

A 1:1 ratio here is considered very satisfactory.

The business would be able to pay all its current liabilities without having to convert any of its inventory to cash.

Inventories are the least easily converted to cash of all the current assets and very seldom realize their book value in a forced sale.

It is therefore essential that the size of the stock on hand be controlled so that sufficient of the more liquid current assets are available to meet the obligations of the company as they fall due.

Consider the following example:

	$		$
Cash	1,000	Current liabs. .	7,000
A/c rec.	1,000		
Inventory ...	12,000		
	14,000		7,000

Here the current ratio is very satisfactory.

$$\frac{\text{Liabilities } \$7{,}000}{\text{Assets } \$14{,}000} = 2{:}1 \text{ ratio}$$

But the acid test ratio

$$\frac{\text{cash plus a/c rec. } \$2{,}000}{\text{liabilities } \$7{,}000} = 2{:}7$$

is extremely unsatisfactory. It indicates that the business must realize a large portion of its inventory in cash before it can even begin to hope to pay its current liabilities.

3. The sales to receivables ratio or the collection ratio is calculated.

$$\frac{\text{Total sales for year}}{\text{Accounts receivable end of year}} = \text{collection ratio}$$

This ratio should then be divided into 365 (the number of days in a year).

The result is the average number of days taken to collect a charge sale. As accounts receivable represent debts due to you by others, it is vital to find out how long you are leaving your money lying in other peoples' pockets.

Perhaps there is some way that you can speed up the rate of collection. If you can do this, you will be able to reduce your borrowing or your capital investment.

In effect, the faster you can turn your accounts receivable into cash, the more cash you will have to employ in the business.

The older debts are, the harder they are to collect. A comparison with last year's collection rate will show you quickly whether or not you should tighten up your credit policy.

4. The ratio of cost of goods sold to the inventory of merchandise is very useful.

$$\frac{\text{Cost of goods sold}}{\text{Inventory}} = \text{Inventory turnover}$$

Within reason, the greater number of times the inventory turns over the better, for the faster you can turn the inventory, the greater the sales volume you can finance.

A glance at the following example will show the truth of this statement.

	Business A	Business B
Inventory	$10,000	$10,000
No. of times invent. turned	6	3
Cost of sales	$60,000	$30,000
Gross mark up	50%	50%
Sales volume	$90,000	$45,000

Business A needs no more capital to finance its inventory than Business B yet look at the different results.

Such results are achieved by wise purchasing, by keeping the inventory at the right level for the sales volume and only keeping active stock.

Therefore, the primary purpose of this ratio is to ensure that (1) the business is not overstocked and (2) that the inventory is not loaded with slow moving lines.

5. The ratio of fixed assets to net worth (total assets less total liabilities) is one of the most important of the ratios. If it were widely used by businessmen there would be fewer failures.

One of the great difficulties in the early life of many a small business, is the purchase of unnecessary fixed assets. The use of this ratio will tell you whether it was you or your creditors who financed your fixed assets.

If your fixed assets are greater than your net worth, say 3:1 or 4:1, then watch out.

It probably means that you are leaning on your creditors to finance your operations, and that to survive in the business world you may require some additional capital in the near future in a hurry.

6. The ratio of net income to net worth is important because it shows the rate of return you are getting on your money.

If the rate is substantially lower than that which might reasonably be anticipated from some other investment, you should seriously consider whether you should stay in your present business.

However, before you do anything drastic, examine your business to find out why the rate of return on your investment is so low.

Far too few businessmen are using these very easily handled aids to management, probably because most of us are lazy and we would rather guess than make sure.

If you are willing to do the work in calculating the ratios and percentages, you can find out more about your business than many businessmen ever do.

What should you do?

- **Overhaul your accounting system,** or have a competent public accountant do it for you. Design your bookkeeping to give the most information possible, in the simplest way with the least expenditure of clerical effort.

In recent years some amazingly simple methods have been developed. Your public accountant can tell you of these.

- **Once you have your new system installed,** insist that the bookkeeping be kept up to date so that you will not have to rely on stale figures for making your decisions.
- **Write to the Dominion Bureau of Statistics** and get their tables of average operating results for each trade. These bulletins are inexpensive and incidentally contain much interesting information about the various trades.
- **Then on the basis of your up-to-the-minute accounting** information calculate these percentages and ratios and make your decisions on facts, not fancies.

Philip Creighton is in his final year as a student-in-accounts with Thorne, Mulholland, Howson & McPherson, chartered accountants, Toronto. He is a graduate of the University of Toronto and Oxford in modern history.

Collapsing U.S. Prices Would Hit Our Cattlemen

From Our Own Correspondent

WASHINGTON, D.C.—There is trouble ahead for Canadian cattlemen.

U. S. officials fear a cattle price collapse may be just around the corner and Canadian exports to the U. S. would be hit hard.

Most experts at the U. S. Department of Agriculture figure the early 1960's will see a big slide in cattle prices.

Canadian cattlemen need to send their cattle across the border before that slide starts.

About $115 million worth of Canadian beef and cattle went to the U. S. last year.

Exports are holding up strong so far this year, although they are slightly under the figures for this time a year ago. Feeder stock is the big Canadian export these days. There is a generous quota for Canadian imports at a specially low tariff rate.

The experts at the U. S. Department of Agriculture try to steer a neutral course and seldom make very sharp predictions one way or the other.

But this time, they've thrown caution to the winds and, in official reports, comment that the present cattle situation has all the characteristics of a typical boom-and-bust cycle.

In face of increased inventory of classes available for slaughter there has been a small actual slaughter. **There has been a** withholding of cows and calves and an upswing of prices.

Says the Department of Agriculture: "It brings with it the sobering prospect of a price decline in the future when marketings catch up with production."

If the present trend continues, warn the experts, look out!

"If it continues," says the department, "it will end all hope of avoiding the over-expansion that brought distress in the last cycle. It would result in severe price declines in the early 1960's."

Bank of N. S. Staff Changes

H. F. CLAXTON, manager, Nipawin, Sask., to be manager, Agincourt, Ont.

F. W. COLLINS, accountant, Prince George, B.C., to be manager, Lytton, B.C.

W. G. JOHNSTON, manager, Bloor & Church, Toronto, to be manager, St. John's, Nfld.

J. F. JOHNSTONE, manager, Agincourt, Ont., to be manager, Bloor & Church, Toronto.

M. O. COLWELL, to be an assistant manager, Hastings & Columbia, Vancouver.

R. G. TAYLOR, accountant, Calgary, to be an assistant manager, Calgary.

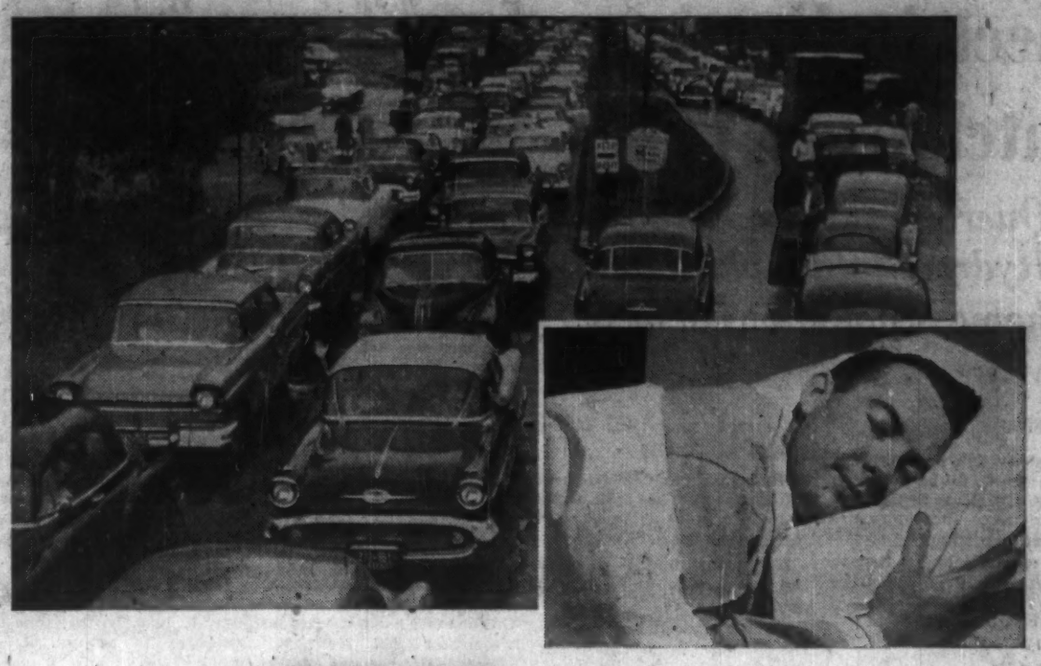
R. G. CARTER, assistant accountant, Calgary, to be accountant, Calgary.

P. L. KINSMAN, to be accountant, Cobden, Ont.

R. J. MOTT, assistant accountant, Park & Fairmount, Montreal, to be accountant, Sherbrooke & Guy, Montreal.

Mrs. J. E. BRANDON, to be assistant accountant, Westbury Hotel branch, Toronto.

C. E. DuMAYS, accountant, Sherbrooke & Union, Montreal, to be assistant accountant, Park & Fairmount, Montreal.



By CNR ...traffic problems, weather problems, are things you read about, chat about—forget about.

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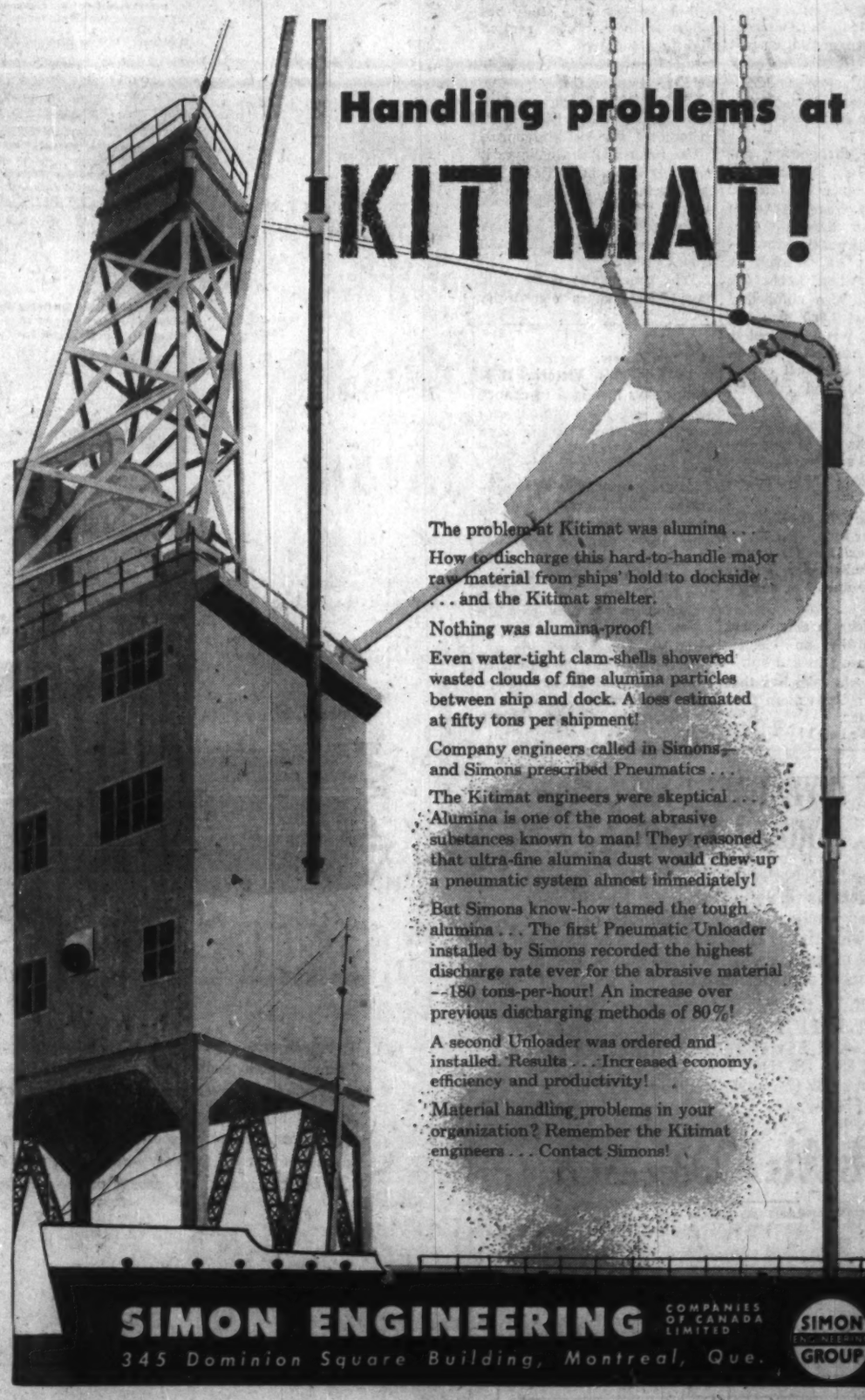

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Electric Heating Catches on Fast

Queries swamp Ontario Hydro, could make 2,000 home installations in next year . . .

By FORBES GILBERTSON

Home owners and businesses are reported to be swamping Ontario Hydro's regional offices with requests for information on electric heating.

An official told FP that the interest shown has staggered Hydro men.

Since FP's last report on electric heating of homes (FP, Feb. 7):

- **Some 300 electrically** heated homes have been completed or are under construction.
- **Hydro has completed** 33 commercial installations.
- **With interest running high,** the utility fully expects that a good many more new homes and commercial buildings will have electric heat before the end of the year.
- **A small number of contractors** are building subdivisions, averaging around 15 houses each, which will be electrically heated.

Major subdivision developments aren't in the offing yet, but may be undertaken in the not-too-distant future.

- **Hydro feels that electric heat** for commercial use will move as rapidly, probably faster than residential electric heating.

Apartment buildings now loom as an important potential market.

Electric heat eliminates central heating system and boiler rooms, provides not only temperature control in every apartment but in each room. Schools and motels particularly are natural targets, Hydro men say, for the same reason.

While most of the development is going on in Southern Ontario, it's interesting to note that around 75 of the new electrically heated homes have been or are being built north of North Bay, an area in which it was thought demand would be slight.

Hydro experiments with heat storage furnaces are continuing, but, experts say, such furnaces or lack of them is not going to impede the growth of electric heating in Canada.

A special department which Hydro set up some time ago to promote its "live better electrically" theme will devote about 50% of its time to electric heat.

Interest which has developed so much in the past six months has come without any intensive promotion, Hydro claims.

But, in the fall, the utility plans to launch a considerable promotion to increase use of electrical energy in residential and commercial establishments and electric heat will be an important part of this.

Costs of electrical heating are still under intensive study but estimates have been revised slightly downward.

But Hydro is selling electric heat on comfort, lack of odor, safety, individual room temperature control, and flatly tells customer it will cost him more.

The future: Hydro believes it has a big thing, but officials are cautious about making predictions.

They admit they just don't know how fast the market will grow.

"This time next year we could have 1,000 homes electrically heated in Ontario," one said. "On the other hand, it could just as easily be 2,000."

Many contractors are interested but hesitant. They want to be sure they can sell the homes. The buyer is cautious because he doesn't see too many homes with electric heat yet.

An intensive publicity program, such as Hydro plans for this fall, may go a long way to overcoming buyer resistance.

Formation of an electric heating association in Ontario is an important move toward pushing electric heat in the province.

A main objective of this association, comprised of Hydro men, electrical contractors, manufacturers and other interested parties: Certification of all installations by the industry for the builder's reassurance.

Ont. Hydro Changeover Completed

Five years and three months ahead of schedule, Ontario Hydro this week ended its frequency standardization program which has changed over one million customers from 25 to 60-cycle power.

Carried out during the most dynamic period in Ontario's history, the standardization cost around $360 million. An estimated $40 million was saved by changeover techniques developed by Hydro engineers during the program.

During the changeover, domestic customers increased by about a third over the original estimate and average number of appliances per domestic customer jumped from an estimated 2.7 to almost six, reaching a total of 5.1 million. Labor and material costs also climbed.

At one time, 3,600 men and 1,300 vehicles were engaged in the program. Altogether, 6,956,596 pieces of electrical equipment were changed over for 1,025,754 customers.

Based on an average working day, this works out to four customers and 30 appliances standardized every 5 min. of the program.

Some of the jobs encountered by changeover men:

- **Transformer 520 ft. up on Windsor's Ambassador Bridge** and a pump motor 80 ft. down a farmer's well.
- **A small door in a basement window** run by an electric motor to let a cat in and out.
- **A 67-year-old juke box** that played steel records more than 2 ft. in diameter.
- **An electrically-operated model cow.**
- **In London's Victoria Hospital,** crews managed to change over an iron lung without disrupting the flow of life to a patient who had lived in it for seven years.
- **Large newspapers were converted** without missing a deadline and special arrangements were also made for radio stations, water pumping stations, heating plants and transportation facilities.

Customers not only pay less for 60-cycle appliances but, of equal importance, were the savings to Hydro and the associated municipal utilities in production and distribution of electricity, chairman James S. Duncan said.

Forced Takeover Rules Strict Lucky Lager Judgment Shows

From Our Own Correspondent

VANCOUVER—The decision in Supreme Court here that three minority shareholders of **Lucky Lager Breweries Ltd.** do not have to sell their shares to **John Labatt Ltd.** appears to set no precedent.

The ruling by Mr. Justice Manson was strictly on law. He decided John Labatt had not complied with Section 128 of the Companies Act, which covers procedures to be followed when an offer is made to acquire all the shares of a company.

The case involved the Labatt company's application to acquire 60 shares of Lucky Lager held by G. Fitzpatrick Dunn, Victoria chartered accountant, 200 held by his wife, Mrs. Jean Dunn, and 1,000 shares held by **Sooke Investments Ltd.,** at $5.25 a share. Labatt's had previously acquired 98.28% of Lucky's 1,803,150 shares at this price.

Dunn and the others fought the case on grounds that the shares were worth $6 to $8.40 a share — and Mr. Justice Manson agreed.

"I am satisfied the offer made was not a fair and equitable one," he said in his oral decision.

He observed it was not safe to rely on balance sheets for valuing shares, and that Dunn "is highly competent in the field of valuations".

Dunn's counsel, John G. McIntosh of Victoria, estimated that on Dunn's evaluation of the stock, Labatt's should have paid nearly $6 million more than it did for Lucky shares.

Labatt made their original offer to Lucky shareholders on May 9, 1958. At that time they proposed to acquire 51% of Lucky Lager shares. It was not until June 24 that they announced their intention to purchase all Lucky Lager shares.

Mr. Justice Manson said there must be strict compliance with the Act and the two Labatt notices were not such as the law required. Section 128 deals with the taking over of remaining shares mandatorily when 90% of the shares have already been acquired. (Among other things earlier judgments have ruled that an offer must be open for four months right from the start.)

His lordship said he could not understand why Labatt wanted all the shares when it already held such a large proportion.

"They spend considerable money litigating the matter and may have to answer to their shareholders some day for that," he added.

The Labatt company and Lucky Lager was ordered to pay costs of the case.

Labatt's counsel said an appeal is being considered.

Further, he did not expect the decision to affect the remainder of the Lucky shares which had previously been acquired for $5.25.

American Fund Assets Off 1.6%

MONTREAL (Staff) — Net asset value per unit of **Supervised American Fund** June 10 was $7.16 or 1.6% lower than $7.28 March 10.

An income distribution of 3c per unit has been declared to holders of record June 15, bringing the total for the first six months to 6c.

Investment is 85.78% in common stock; 11.24% in debentures; 2.98% in cash and credits.

Only portfolio change in the period was a six-share stock dividend received from **United Air Lines.**

ANNOUNCEMENT

JOHN McNALLY

has been appointed a vice-president of Vickers & Benson Ltd., R. H. Vickers, president, announces. For three years Mr. McNally has been an automotive specialist in the advertising agency's Toronto office.

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A. M. KIDDER & CO., INC. has just prepared an informative July Report on Non-Ferrous Metals, including Copper, Aluminum, Lead and Zinc. This timely report analyzes leading producers of each metal and also makes specific investment recommendations.

In addition, the July Report contains INVESTMENT POLICY & STOCK MARKET OUTLOOK—and SELECTED SECURITIES FOR VARYING OBJECTIVES. The report is free ...yours for the asking. Simply fill out the coupon below.

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Instrument Panel Nine Inches Further Forward—Gives everyone up front more stretch-out room.

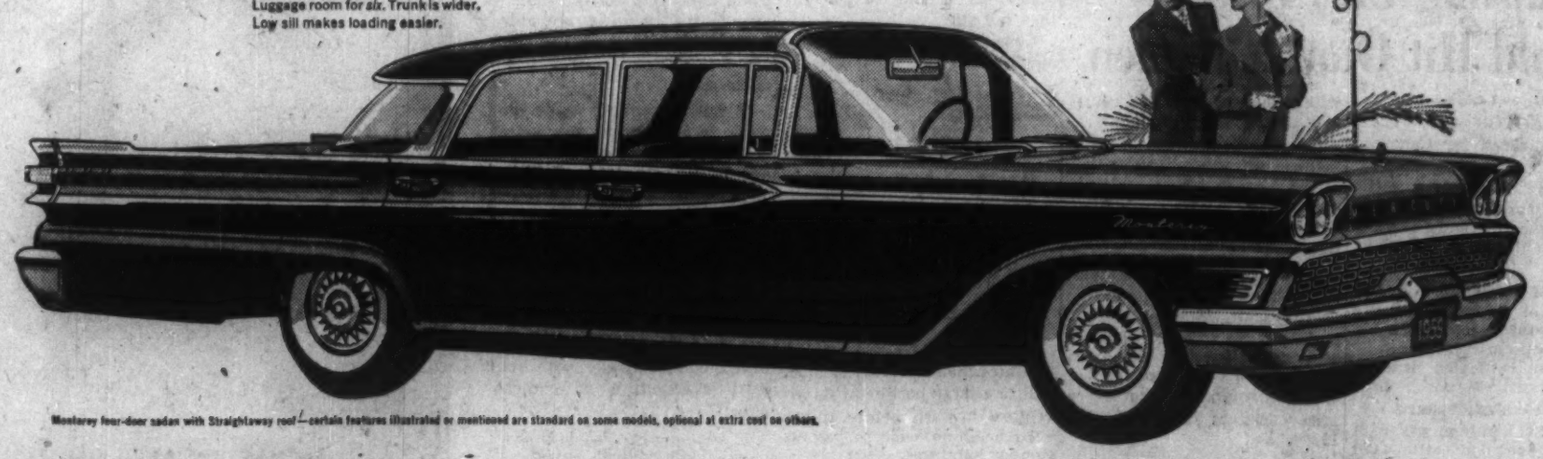
Legroom For The "Middle" Man—Tunnel is 50% lower...makes sitting in the centre more comfortable.

Windshield Posts Are Out Of The Way—Even six-footers can enter and exit without bumping their knees.

New Overlapping Windshield Wipers—Side-to-side wiper action gives 5 feet of unobstructed viewing area.

More Useable Trunk Space—Luggage room for *six*. Trunk is wider. Low sill makes loading easier.

Only Mercury owners receive all these advantages



Monterey four-door sedan with Straightaway roof—certain features illustrated or mentioned are standard on some models, optional at extra cost on others.

The illustrations above show six of the advantages that go with Mercury ownership. There are many more—and some of the best just can't be shown: the smooth, silent power . . . the featherlight, positive steering with a definite "feel of the road" . . . straight-line stops from self-adjusting brakes . . . and the quiet, steady ride that contributes so much to your all-day driving comfort. These are but a few of the advantages that you feel only when in command of a Mercury.

In *this* car, you enjoy a sense of pride—even before you see the admiring glances.

And, as a Mercury owner, you enjoy Mercury benefits for years: lasting value in a look that stays young . . . a Super-Enamel finish that defies the seasons . . . an aluminized muffler that lasts twice as long . . . and a silence that comes only from quality construction. Both now *and* later, Mercury ownership offers more.

Tomorrow, see your Mercury dealer. Discover all these—and other rewards—in person. Drive the finest Mercury in 20 years and you'll know that only Mercury offers you so much . . . so easily attained.

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A few months ago, we published a newspaper ad inviting readers to accept a trial subscription to U. S. NEWS & WORLD REPORT, on a money-back assurance of satisfaction.

We don't have room here even to begin to summarize the hundreds of pages of "useful news" you missed by not subscribing at that time. But here, at least, are 67 examples of the way U. S. NEWS & WORLD REPORT has enriched the thinking, the planning, and the conversation of its more than 1,100,000 readers since then . . . 67 of the exclusive reports, analyses, and interviews that have given our readers a valuable "inside" look at the important trends and developments of our time.

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This listing gives you just an inkling of what you can get from the magazine that brings you more news than you can get in any other news publication — plus the "extras" which make it the most quoted, most useful news magazine in America.

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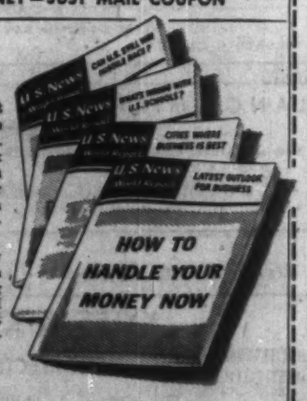

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These New Manufacturing Ideas May Be Profitable to Your Firm

Looking for new opportunities to add new manufacturing lines?

Here's a current list of new ideas, compiled by the Industrial Development Branch, Department of Trade and Commerce, Ottawa. They range from electric kettles to blending machines and magnetic toys.

Here's the list:

For further information on these items, write R. B. Hayden, Industrial Development Branch, Department of Trade and Commerce, Ottawa. Item number should be quoted.

Plastic Kettle

British plastics firm has introduced an electric kettle with colorful body of rigid polyethylene and removable heating element. Will not dent, scale, conduct electricity or accumulate scale.

Patents pending in most countries and a licensing arrangement for Canada anticipated.—**Item No. 1005.**

Powered Wheelbarrow

Self-propelled yard truck is offered to Canadian manufacturer under royalt arrangements by a small Swiss firm.

The universal Mini-Dumper can carry up to 1½ tons of fresh concrete, sand, stone, wood or other materials at 5 mph. Forward discharging dump body is interchangeable with platform and side stakes for handling wood and packaged goods.

Driver can stand on rear platform or handle controls while walking behind machine. Tires standard 6.50 x 16 in. with single rear wheel of smaller size. —**Item No. 1006.**

Zinc Dust Paints

Two European firms with similar "zinc rich" paints for licensing to Canadian paint manufacturers.

A British paint firm's leaflet describes its zinc coating for brushing or spraying on steel as a rust protection similar to hot dip galvanizing.

Paint can be applied to steel structures in the field, and can be left as a finish coat, or covered with other paints for decoration or especially corrosive conditions such as direct contact with sea water.

A German maker of zinc dust paint has licensees in the U. S. Finland and the Netherlands.

Kathozink is 95% zinc dust in the dry coating. This paint can also be sprayed or brushed, providing a more convenient way of applying zinc, which has been widely used as a rust preventative on steel for over 100 years.—**Item No. 1007.**

Prefab Panels

Canadian design group wishes to sell manufacturing rights of edge-locking structural panels suitable for self-supporting walls and roofing, and fitting in well with current trends toward prefabrication in the building industry.

As single-skin panels, they offer an economic form of construction for barns, warehousing and commercial shelters; and as insulated double-skin panels, able to span wide areas, also without structural supports, they offer economical vaulting for hangars, sports arenas and supermarkets, etc.

Materials are sheetmetal and reinforced plastic which together fulfill needs for roof and wall components both for insulated wall panels, or window lights. Quick and easy to assemble without need of skilled erection crews, as well as a new principle of construction with potential and suitable for world-wide distribution.

Write John Ensor, **Industrial Design Associates,** 21 Sultan St., Toronto 5.—**Item No. 1009.**

Room Heater

Electric convector is free standing like a radiator and has no fans, motor or water. Construction is quite simple but effective in moving large volumes of air and has safety awards to its credit.

Original model was produced and sold in the U. S. in the early postwar years, at which time it was also distributed across Canada by a department store chain.

New model has three settings, allowing for quick warm-ups and economical operation.

Production tooling and dies are available for this heater which has recently been produced in limited quantities for distribution in the U. S.—**Item No. 1010.**

Camper's Stove

Two burners are included in this compact kit, one operating on electricity, the other on solid odorless fuel. Kit can fit into the glove compartment of a car and is light enough to be used with survival ration kits.

Leaflets and copies of U. S. patents available from Paul Rosser, 234 Pleasant St., South Worcester, Mass. — **Item No. 1011.**

Vitamin Toothpaste

Swiss toothpaste which includes vitamins A and D sold more than three million tubes in several European countries in 1958 and maker is seeking a Canadian licensee to manufacture and distribute Aronol across Canada.

Distribution experience and sales of complementary products with adequate advertising and promotion will be of considerable importance.

Included in a Canadian license will be the Canadian patter for a dental preparation containing cod-liver oil concentrates.—**Item No. 1012.**

Protective Coatings

U. K. manufacturer wants Canadian licensee for a range of synthetic resin base protective coatings.

Coatings may be applied to metal, concrete, or wood and are said to offer exceptional qualities for a large variety of exacting requirements including chemical process equipment, conveyor systems and chimneys as well as numerous other specialty applications.

It's claimed that the coatings offered will allow user to dispense with stainless steel, ceramic coatings, etc., in many cases.—**Item No. 1013.**

Chimney Cleaner

Chimney cleaning device is made so that it can be drawn through a chimney flue which changes direction.

Two axially spaced brushes are connected by springs in such a way that the brush elements maintain a position at right angles to the surfaces of the chimney passage.

Direct inquiries to J. Petrick, 12307 95th St., Edmonton.—**Item No. 1014.**

Magnetic Toys

German toy manufacturer wants to license Canadian firm to make some of his games or adapt them for Canadian sales.

Most of these games are for two players who manipulate the model cars or other items by moving magnets under the board. Magnets are moved by control knobs or arms.—**Item No. 1015.**

Blending Machine

Faster, more uniform mix is claim for this British batch blending machine which is to be licensed in Canada.

It has been used to mix colors with plastic powders, for blending powdered metals, photographic chemicals, foods and other dry materials.

Several sizes are available from one third cu. ft. capacity laboratory models up to largest commercial size of 193 cu. ft. capacity.

Perfect blending results in less than one minute's running time, maker claims.—**Item No. 1016.**

Concrete Tamper

New tool is said to simplify and speed the tamping of fresh concrete floors or slabs, before troweling. Lightweight device can be rolled over large areas of wet concrete producing more uniform results in much less time.

Crawler has a tread width of 35 in., and weighs about 25 lb., including 10-ft. magnesium handle.—**Item No. 1017.**

Tire Tread Cutters

Electric hand tools for cutting special tread patterns in rubber tires have been developed and used in Europe, as well as a machine using same principle to groove tires automatically.

Canadian rights are available under license from Swiss firm which exports these tools to many other countries.

Direct inquiries to **Welton Associates,** 1300 Pine Ave. W., Montreal.—**Item No. 1018.**

Screw Products

British firm has patented method of forming bolts and no nuts by stamping or pressing a thread form into a metal blank and subsequently forming the blank into the desired shape.

Method has been applied to production of wing nuts and "internally" threaded inserts for plastic, wooden or similar articles. — **Item No. 1019.**

Aerosol Therapy

French firm wants to license or sell its aerosol generating equipment for spraying solutions or drugs for disinfecting theatres, factories, etc., and its hospital aerolizers with masks for treatment of bronchopulmonary diseases.

Some models have own air compressors and motors, some hospital models have diaphragm aspiratory compressors to assist breathing. — **Item No. 1020.**

Enquiries about the following cases should be sent to Canadian Patents & Development Ltd., National Research Building, Sussex St., Ottawa. Please quote case number.

Improved Keyboard

An arrangement of a primary and an auxiliary keyboard used to control voltage sensitive oscillator as a monophonic musical instrument.

Force on a key controls loudness. Pitch memory device and delaying filter make notes sound like those of a non-electrical instrument.

Auxiliary keyboard has very small controlling pitch at small intervals between primary pitches, allowing such special effects as portamento, off-pitch notes, vibrato and glissando. — **Case No. 1995.**

Slow Decay Device

Mechanical arrangement which incorporates slow decay or slow attack effect in the sounds produced by polyphonic musical instruments having intensity control devices, such as electronic organs. Device is a single system common to the whole keyboard.

Rate of decay or attack can be graded along keyboard and is readily adjustable by, for example, foot pedal. — **Case No. 2593.**

Detection Apparatus

Apparatus to detect any deviation from desired values of the beat frequency relationships between a continuous wave oscillator and any number of preselected continuous wave signals appearing sequentially in random fashion.

It could provide signals for automatic frequency control of teletype receivers used with two-channel, four-frequency shift transmissions.

In this application, signals for receiver control could be sent simultaneously with regular signals by brief changes of transmission frequency within receiver tolerance limits.—**Case No. 2751.**

Time Delay Device

Electromechanical method of producing continuously variable delays of low frequency electrical functions. Capable of high speed operation, the apparatus uses a cyclical arrangement of relays, switches, and sequentially charge condensers.

Switching speed is controlled by two dc potentials which may represent transport velocity and transport distance of the delay being simulated. Does not use a separate amplifier for each condensor.—**Case No. 2569.**

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ANNOUNCEMENT

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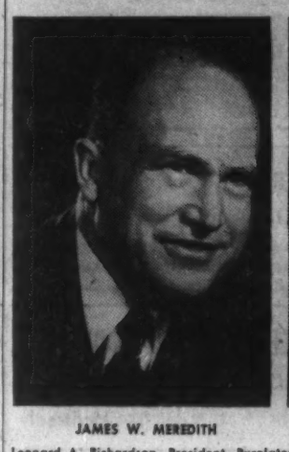

JAMES W. MEREDITH

RAY C. ROBBINS

Leonard A. Richardson, President, Purolator Products (Canada) Ltd., pioneer oil and air filter manufacturer, New Toronto, announces the appointment of two new members to the Canadian Board of Directors. They are James W. Meredith, President, Roxalin of Canada Ltd., and Ray C. Robbins, General Manager, Lennox Industries (Canada) Ltd.

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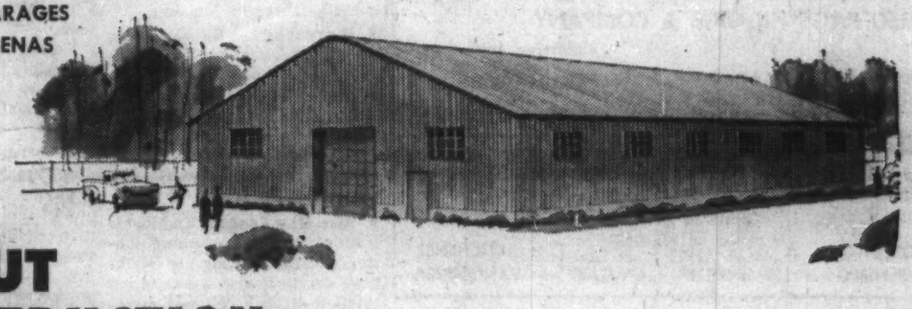

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Profit Hints In Costa Rica For Canadians

This livewire Central American country wants growth capital. Watch the new industrial development law . . .

By FRANK J. THOMAS

SAN JOSE, Costa Rica — If you're anxious to invest in Latin America and increase your profits, study the possibilities of doing it in Costa Rica.

This little country tucked in Central America between the republics of Nicaragua and Panama is beginning to make a powerful bid for new foreign capital. And it's specially interested in having Canadian capital come to help develop its resources.

The government's recent announcement that it was submitting the project for the new industrial development law to Congress for enactment has already encouraged large U. S. firms to study means of locating here:

• **Procter & Gamble** plans to establish a plant to manufacture detergents and tooth paste in Costa Rica to supply the entire Central American market.

• **General Motors** has already set up its office in San Jose and will establish a training school for Latin American mechanics. GM's idea is to train men who will be able to assemble and service refrigerators, motor vehicles, and other equipment.

• **Westinghouse**, through its local representative, is considering assembling radios and electric appliances in San Jose.

• **Burroughs** has the same idea for its typewriters and other office machines.

• **Revlon** is also studying the possibilities of setting up a branch plant in Costa Rica to supply Nicaragua, Honduras, El Salvador, and Guatemala with its cosmetics.

• **Star-Kist Foods** of California is thinking about canning lobsters, available along the Caribbean coast. It also wants to use turtle meat as a pet food ingredient and to process and export shrimp and certain varieties of fish.

A group of businessmen from Denver wants to establish a large textile mill which would satisfy most of Costa Rica's needs for cotton textiles.

Although Costa Rica grows excellent cotton which sells well in the highly competitive cotton market abroad, it still must import millions of dollars worth of textiles.

Canadians may be particularly interested in forestry.

The National Work Action, an agricultural colony constituted in 1942 and owning 58,000 acres in northern Costa Rica, is studying the possibilities of establishing a plywood plant near La Virgen in the Sarapiqui Plains.

A forest survey of the timber lands indicates that such an industrial project would be entirely feasible.

The market for plywood is good in Costa Rica and in the other Central American countries. In addition, there may be an opportunity for capital participation in this project.

Preliminary market research studies by various groups of economists in recent months reveal opportunities to establish plants to make these products:

▸ **Glass containers.**

All bottles presently used by the National Liquor Factory as well as by the several breweries and soft drinks bottling plants must be imported. So must all the glass jars for jams and other foods products.

Although there are several large quartzite and sandstone deposits easily accessible to roads, the adequacy of these deposits has not been confirmed. In 1957 Costa Rica imported $419,000 in glass containers. In 1958 import figures for the same products climbed higher.

▸ **Iron and steel rods for reinforcing concrete.**

In 1957 Costa Rica imported $1 million of metal rods. Raw material to be used would be scrap iron available locally as well as iron ore existing in an undeveloped mineral deposit located near the city of San Ramon.

As residential and industrial construction grows, demand for iron rods will also increase.

▸ **Welded pipe for water systems.**

Costa Rica has the highest net per capita increase in population in all of Latin America (about 4% annually) and demand for municipal water supply services is growing rapidly.

All metal pipes are presently imported. A plant which would import the steel in sheets and then weld them in Costa Rica could probably capture for itself the entire Central American market for that product as no metal pipes are currently being produced in the area.

The country still has only one flour mill and it belongs to the National Production Council. This government agency imports wheat flour and does its own milling but the amount milled constitutes only a small fraction of the local market.

In 1957 Costa Rica imported $3.147 million of wheat flour and imports increased in 1958. More milling could be done in the country.

The country still imports many light consumer goods which could very well be made in Costa Rica.

By studying statistics of imports and making brief, preliminary market research, many specific business opportunities could be uncovered and pinpointed for immediate development.

Service industries and those of "foot loose' type can be located to advantage in the city of San Jose.

Such was the opinion of Lawrence C. Lockley, Dean of the School of Commerce of the University of Southern California, who spent six weeks here last September as consultant for the International Co-operation Administration.

Lockley said: "Costa Rica appears to offer certain amenities such as excellent climate and some recreational facilities which management looks for when seeking an appropriate area in which to establish a plant.

"Costa Rica would be an ideal place to assemble electronics equipment from parts imported from the U. S.

Furthermore electronic equipment is of very high value and could easily withstand the cost of transportation."

If you prefer agriculture to industry, take a close look at the numerous opportunities in commercial farming and raising of livestock.

• Costa Rica imported in 1957 approximately $1.6 million of lard.

Although a local plant produces shortening from vegetable oils, Costa Rican housewives still prefer to use lard for cooking.

That has caused the Ministry of Agriculture and Industries to announce that there is now need for an annual production of 200,000 hogs. Yet, the country produces only 60,000 per year.

• **Raising cattle** also looks very promising.

As demand in the U. S., Venezuela, Curacao, Cuba, and Aruba grows for dressed beef from Costa Rica, more cattle must be made available to the numerous small meat slaughtering plants which have recently sprouted.

• **Pineapples** which are of excellent quality in Costa Rica could be canned for export.

Today a plant near the city of Alajuela cans pineapples and other tropical fruits and vegetables but these are mainly for the local market.

Pineapples could be grown more extensively on a commercial scale exclusively for canning for the rich market in Western Germany.

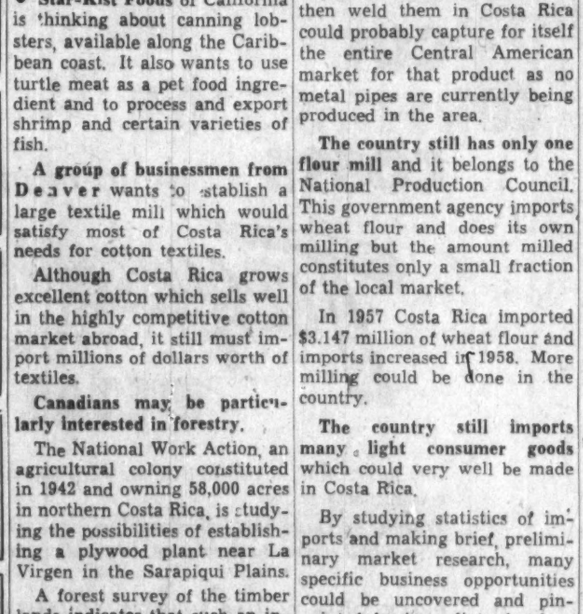
• **Cut flowers** such as roses, chrysanthemums, and gladiolus are currently being exported to the U. S. and Cuba by plane, but there is still room for more expansion in this field.

The present government is very interested in attracting foreign investments to Costa Rica and is offering various incentives for new business enterprises.

Whether it be in industry, in agriculture, or in other spheres of economic activity, it might pay you to investigate the setup further in Costa Rica.

Frank J. Thomas is a business consultant in San Jose, capital of Costa Rica. He travels extensively in Central America.

CERAMIC LAMP bases made in Costa Rica are exported to Canada. Here's a potential field for Canadian capital.



BEEF EXPORTS: another "comer" in the Costa Rican economy. Thousands of acres of good grazing land await new herds, and the export market has just begun to grow.

Company Reports

Textiles

LONDON HOSIERY MILLS LTD., London, Ont., sustained a net loss of $16,765 for year ended March 31, 1959, compared with previous fiscal year's net profit of $3,038.

Gross profit margin declined to 8.7% from previous year's 11%.

Price competition continued due to new entrants into the hosiery field and foreign imports, President J. A. McKeeman reports.

Company looks forward to increased business from its newly introduced styles, the president says.

INCOME ACCOUNT

Years Ended Mar. 31:	1959	1958
Sales	$1,211,177	$1,219,142
Net operating income	8,907	27,687
Add: Inc. invest.	3,138	3,332
Prof. sales f.a.	132	.....
Net earnings	12,197	31,019
Less: Deprec.	28,962	27,631
Inc. taxes	.....	950
Net profit	a16,765	3,038
Less: Cl. A divds.	27,000	36,000
Com. divds.	68,000	24,000
Surplus for year	a111,765	a56,962

aLoss or deficit.

Earnings per Share and Dividend Record:		
Class A	d$0.37	$0.57
Paid	0.50	0.80
Common	d0.66	d0.41
Paid	0.85	0.30

Note — class A divds. in arrears 20c per share as of Mar. 31, 1959.

Shares Outstanding at Mar. 31::		
Class A, n.p.v	45,000	45,000
Common, n.p.v.	80,000	80,000

CONDENSED BALANCE SHEET

As at Mar. 31:	1959	1958
Cash & Dom. bds.	$113,261	$112,766
Accts., etc., rec.	176,528	205,690
Inventories	379,600	322,043
Prep. exp.	13,963	15,914
Total curr. assets	683,354	656,413
Life ins., c.s.v.	15,400	13,700
Fixed assets*	153,474	160,758
Total assets	852,228	830,871
Bank loan	130,000	130,000
Accts., tax., etc., p.	73,744	66,207
Divd. pay.	9,000	9,000
Total curr. liabs.	212,744	205,207
Loan payable	10,500	12,125
Capital stock	125,000	125,000
Earned surplus	433,984	488,539
*After depr. of	446,452	418,220
Working capital	450,610	451,206

Mining

CAYZOR ATHABASKA MINES had a net loss of $233,598 in 1958. In previous year, company reported a net profit of $58,632 based on three months' operations.

Total of 37,843 tons were mined and shipped to **Lorado Uranium Mines** for custom milling.

Plans have been laid for exploration of the Cayzor property below the bottom or fourth level. The probe will require financing and various methods are now under study, President J. D. Lippmann states.

Company has arranged with Lorado to accept lower price for tonnage shipped in lieu of payment of $7.50 per ton into the Security Fund, established by a 1956 contract to ensure construction of the Lorado mill. Total of $450,000 was withheld by Lorado for the security fund by the end of 1958. The new arrangement is subject to approval by holders of Lorado debentures.

Extensive exploration and development program reduced operating rate from 130 tons daily in January to 65 tons in April. But new stope preparations are expected to shortly result in higher rate.

Diamond drilling from the fourth level indicated substantial tonnages of good grade ore at depth. If further drilling indicates other zones, shaft sinking to permit two new levels will be recommended, company's consulting geologist states.

INCOME ACCOUNT

	12 mos. ended Dec. 31	3 mos. ended Dec. 31
Period:	1958	1957
Production revenue	$1,035,534	$472,016
Less: Oper. exps.	982,301	230,384
Operating profit	53,583	241,632
Add: Misc. income	16,677	2,344
Less: Loss sale f.a.	28,259	.....
Net earnings	42,001	243,976
Less: Interest	71,382	17,875
Def. dev., preprod. exps.	143,439	84,000
Deprec.	60,748	23,719
Net profit	*233,568	118,382
Less: Dividends	.....	57,750
Surplus	*233,568	58,632

*Loss or deficit.

Earnings per Share and Dividend Record:		
Earned	d$0.12	$0.06
Paid	nil	0.03

Shares o/s at Dec. 31:		
Common, n.p.v.	1,925,005	1,925,005

CONDENSED BALANCE SHEET

As at Dec. 31:	1958	1957
Accts. rec.	$45,774	$96,357
Inventory	202,236	265,045
Advances, deposits, prep. exps.	13,423	15,497
Total curr. assets	261,433	367,502
Invests. at cost	23,450	24,344
Security fund	436,246	172,406
Sundry def. chgs.	1,422,100	1,768,982
Mining properties	1,501	1,501
Bldgs. & equip.*	736,830	821,482
Total assets	3,221,671	3,176,297
Due bank	303,304	402,480
Loan payable	145,016	.....
Accts. pay. & accr.	304,498	176,291
Total curr. liabs.	958,098	578,771
Funded debt	1,295,000	1,300,000
Capital stock	1,254,955	1,254,955
Earned surplus	a183,382	42,481
*After deprec. of	83,328	25,720
aDeficit.		
Working capitals	693,662	211,269

aExcess of curr. liabs. over curr. assets.

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Howard Smith's Sales Steady Steel Co. Heads for Record

- *Paper company's profit slightly down . . .*
- *Stelco earnings may top 1955's peak . . .*

By NESTOR

HOWARD SMITH PAPER MILLS' net profit so far this year is down a little from a year ago, it's understood.

Sales are steady. Company hopes economy measures will push profit back to last year's levels.

A general rise in costs this year has more than eaten up extra revenue resulting from a small price boost. Higher freight costs have been an especially important factor.

There has been a small improvement for subsidiary **Huron Forest Products Co.**, acquired last year. Stiffening lumber prices have helped Huron; so have higher freight rates, which tend to lessen competition from west coast lumber.

Company is optimistic. Its $12.5 million expansion program at Cornwall (including a new paper machine, wood yard, boiler plant and other items) is going ahead on schedule toward 1960 completion.

This widely diversified fine paper producer last year showed consolidated net profit of $6.1 million ($3.09 per share), compared with $6.1 million ($3.30 in 1957) and $7.1 million ($3.88) in record 1956. The 1957 profit is exclusive of $624,000 profit on sale of fixed assets. Increased number of common shares outstanding at the end of last year resulted from issuance of shares to acquire Huron.

Net sales last year were $105.1 million. In 1957: $103 million.

Company is controlled by **Dominion Tar & Chemical Co.**

This year is the 100th anniversary of the founding of its subsidiary, **Canada Paper Co.**, which turns out a wide range of products at Windsor Mills, Que.

The Canadian fine paper industry successfully defied the effects of the recent recession and continues to show a steady uptrend.

The nation's fine paper production in this year's first five months was 117,238 tons or 7.3% higher than in corresponding 1958.

Shipments to Canadian consumers in the five months were 107,980 tons up 5.5%; exports were 6,714 tons, up 8.8%.

The industry is likely to continue its dependence upon domestic sales in the foreseeable future.

At recent market price of $42⅛, common stock is 75% above UV level ($24), could rise 42% before reaching OV level ($60). Price is 13.6 times 1958 earnings of $3.09 per share. Yield is 2.85% at indicated annual dividend rate of $1.20 per share. Price this year has ranged between a high of $46⅝, a low of $39½.

* * *

STEEL CO. OF CANADA operations this year, like those of other major producers in the industry, appear to be running at record levels.

Industry ingot production for the first six months of 1959 totaled 2,732,734 tons, a gain of 17.4% on first half 1958 and 4.5% ahead of the corresponding period of 1957.

The six-month 1959 total represents a rate of 86.6% of the industry's capacity of 6,313,000 tons. Stelco's rating of 2,350,000 accounts for some 37% of this total, which includes electric furnace and specialty steel producers in Canada.

Stelco earnings per share this year are widely thought to be heading for a new peak. They have declined each year since 1955, when $5.89 per share was earned. The price of scrap in 1956, the economic slowdown in 1957 and the 86-day strike in 1958 depressed earnings in subsequent years. Per share profit in 1958 was $3.79.

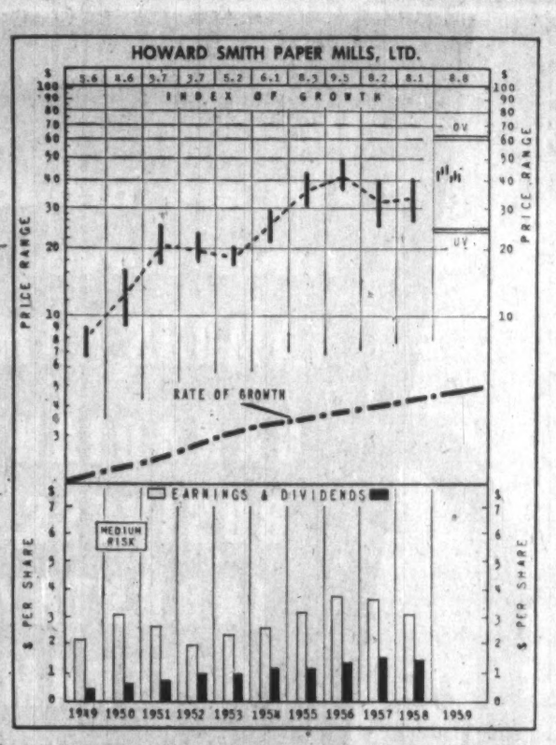
Since 1955 the company has completed a $70-million expansion program, increasing significantly production facilities for cold rolled sheet and tin plate in particular. Present facilities are considered sufficient to permit sales close to $325 million, compared with 1958's $225.2 million and the previous peak (1957) of $274.8 million. The 1955 volume was $227 million.

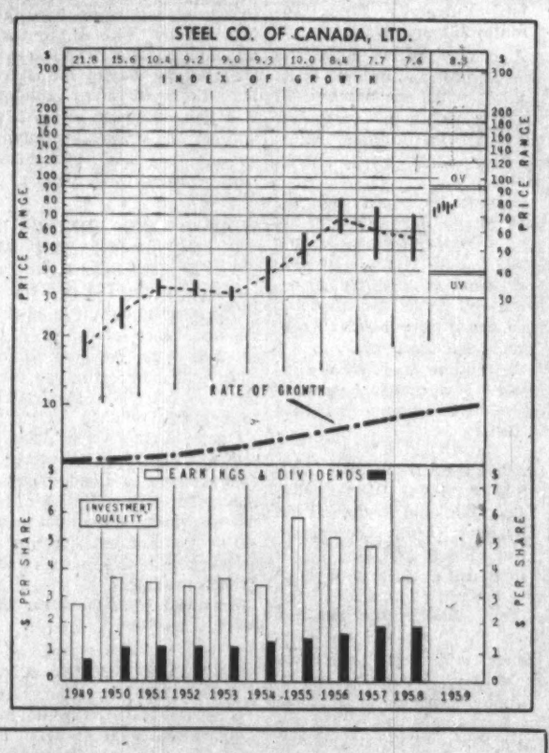
Company recently announced plans to increase steel-making capacity of the Hamilton Works by some 25% in the next two years. The program will raise ingot capacity to 2.9 million tons. Capital expenditures of $80 million are involved with this and other projects approved at the end of 1958.

Also planned is a $10-million pipe mill at Edmonton, Alta., built in partnership with **Page-Hersey Tubes Ltd.** The mill will have a capacity of 16 in. to 42 in. outside diameter, and will be the first in Canada capable of producing steel pipe larger than 36 in. diameter in continuous welded 40 ft. lengths. Annual capacity of 325,000 tons is planned, but no construction date has yet been announced.

Further expansion of steel-making capacity will be possible with lower capital expenditures through company's development of the self-fluxing sinter process (details, p. 50), first disclosed in the 1958 annual report. In a test over six months on one of Stelco's blast furnaces, output was increased 62%. A one-month test on a larger furnace increased production 90% from 1,100 tons a day to 2,100 tons a day.

At recent market price of $85, common stock is 112% above UV level ($40), could rise 6% before reaching OV level ($90). Price is 22.4 times 1958 earnings of $3.79 per share. Yield is 2.23% at indicated annual dividend rate of $1.90 per share. Price this year has ranged between a high of $85, a low of $68¾.





How to Read Nestor's Special Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure of 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high low and mean price Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS. Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjusted as underestimating or overestimating its future rate of growth. A stock showing a fast growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV or OV levels a current quotation of, say, 55 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figures in any given year.

RATE OF GROWTH: The rate as based on Nestor's tests at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years and in most instances the trend of dividend payments.

**Background and principles behind the selection by Nestor were discussed in a special article in FP, Jan. 10, 1953. A limited number of reprints are available on request.*

Plastics Insulation Plant in Alberta

From Our Own Correspondent

EDMONTON—First of its kind in Western Canada, a new plastics insulation plant which will represent an investment of $400,000 is being built in South Edmonton.

The plant will be operated by **Dymer Plastics Ltd.**, which has purchased seven acres for a site.

Built on modern lines, the plant is estimated to have an initial production level of 30,000,000 bd. ft. per year.

Equipment is being fabricated by **Barber Machinery Ltd.**, of Edmonton.

Stuart S. Purvis, an Edmonton lawyer, is president of Dymer Plastics; Clifford P. Ronden, vice-president and managing director; D. Max Ritchie, secretary-treasurer.

The plant is expected to be completed and in production by next fall.

Manitoba School Grants Increase Municipal Tax

From Our Own Correspondent

WINNIPEG — The Roblin government's $7.5 million increase in Manitoba's education estimates was expected to lower municipal tax rates — but it's not working out that way.

In many municipalities the tax rate has taken a jump.

The reason: Higher salaries to teachers.

Estimates for the 1959-60 fiscal year: $30.6 million, compared with $23.1 million the previous year.

The more generous provincial grants were linked with a new school-division plan which followed last year's interim report of a Royal Commission.

The new grant system listed a schedule of payments to municipalities for teachers in elementary and secondary schools.

For secondary school teachers, for instance, it ranged from $3,000 to $9,700, depending on the school and the teacher's rating.

School boards, striving to get qualified teachers, have contracted for salaries, not only to the limit of the grants, but in many cases far beyond them.

The result: Higher salaries have more than absorbed the increase in the grant and forced municipalities to increase the mill rate.

One aim of the new system was to assure higher salaries and attract better teachers but that was expected to be a gradual development.

Edmonton Paint Plans New Plant

From Our Own Correspondent

EDMONTON — At an estimated cost of $750,000, the only paint manufacturing firm between Winnipeg and Vancouver is planning to build a new plant.

Edmonton Paint and Glass Co., which has been operating in the downtown business area since 1929, has purchased eight acres in the western section of the city for a new site. A one-story warehouse and paint factory will be erected, comprising approximately 100,000 sq. ft. of floor space.

Plans for the plant are being prepared by **Rule Wynn and Rule**, Edmonton architects.

In addition to its paint factory, the company has a complete glass-metal frame fabrication section and a building supplies division. It employs between 125 and 140 persons.

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Lively Summer Reading For Business, Pleasure

CANADIAN PROBLEMS IN MARKETING by David S. R. Leighton and Donald H. Thain; McGraw-Hill Co., Toronto; 858 pp.; $9.75.

Teachers and students of business administration alike will welcome this pioneering collection of 85 cases in marketing, all of them set in a Canadian context.

In addition to the groups of cases illustrating the various aspects of marketing, there are chapters explaining the case discussion method and the use of figures in marketing.

The co-authors are on the faculty of the University of Western Ontario's School of Business Administration.

• • •

CORPORATE RECORDS RETENTION, Vol. 2, by Robert B. Wheelan; Controllership Foundation, 2 Park Ave., New York; 275 pp.; $10.

This volume, the second of a trilogy setting out the times necessary for retention of records, deals with federal and provincial requirements in Canada, with particular attention to 12 industries — aeronautics, agricultural and dairy, banking drugs, insurance, mining, motor carriers, petroleum, railways, telecommunication, trust companies, and electric, gas and water utilities.

A time-saving guide for businessmen and lawyers alike.

• • •

THE CANADIAN ECONOMY IN THE GREAT DEPRESSION by A. E. Safarian; University of Toronto Press; 185 pp.; $3.50.

This study, growing from a doctoral dissertation, examines in detail the economic experiences which Canada underwent in the 1930s, with special attention to the failure of any real recovery to begin up to 1937.

Supplementing the general discussion is an examination of the depression experiences of the wheat economy, and the newsprint, mining, utilities, automobile and residential construction industries.

• • •

CONTEMPORARY CANADA by Miriam Chapin; Oxford University Press, Toronto; 322 pp.; $7.50.

A comprehensive survey of Canada, past and present, written by an American whose 27 years' residence in Canada has given her an intimate understanding of this country and its people.

It is to be hoped that this book attains a wide readership in the U. S., for this would change many widespread misapprehensions held by Americans. But Canadians, too, could learn much from it—about both Canada and the U. S.

The author urges greatly increased government support in spreading Canadian views in the U. S.

• • •

CANADIAN PORTS AND SHIPPING DIRECTORY, 1959; National Business Publications Ltd., Gardenvale, Que.; 300 pp.; $7.50.

Regarded as a standard reference book in its field, this latest edition of the directory has been thoroughly revised to cover changes prompted by the opening of the St. Lawrence Seaway.

Contents include maps showing locations of ports; St. Lawrence Seaway tolls, regulations and general description; rules of the road for the Great Lakes; harbor dues and charges; pilotage and quarantine regulations; radio aids to navigation; sailing distances; Hudson Bay route; directory of Canadian steamship companies; repair facilities and so on.

• • •

CLEAR LANDS AND ICY SEAS, by Theodora C. Stanwell-Fletcher; Dodd, Mead & Co. (Canada), Toronto; 264 pp.; $4.50.

A woman's account of a voyage from Montreal to the Eastern Arctic in the **Hudson's Bay Co.** ship Rupertsland.

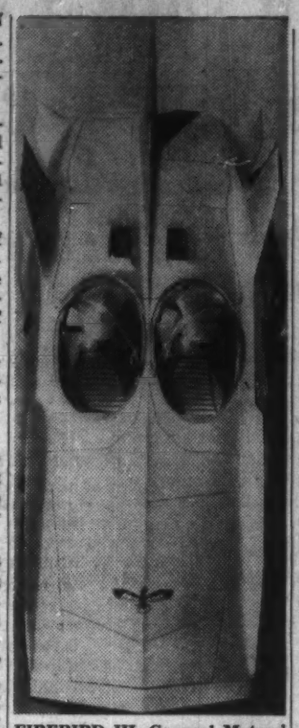
It contains some beautiful descriptive passages of the northern sea and landscapes.

• • •

LETTERS OF A RUSSIAN TRAVELER 1789-1790, by N. M. Karamzin; Oxford University Press, Toronto; 341 pp.; $6.25.

Karamzin is known to students of Russian literature as a leader of the romantic movement, which was spreading out from France in the late 18th century.

As was the fashion in his era, he took the Grand Tour of Germany, Switzerland, France and England. In this volume are collected the letters he purportedly wrote to friends at home during his trip, although it is more like-sightseeing.



FIREBIRD III, General Motors' semi-automatic dream car. One of hundreds of exciting cars illustrated in the big, excellently produced Automobile Year 1959 (Doubleday, Toronto; 236 pp.; $11.50), containing 100 pages detailing 1958 Grand Prix races.

ly that he composed them on his return.

In either case, they present a lucid picture of western Europe as an observant outsider saw it at a period of historical change.

• • •

HOW TO TRAVEL WITHOUT BEING RICH by William M. Strong and A. Milton Runyon; Doubleday, Toronto; 256 pp.; $3.50.

A useful round-up of worldwide travel tips and pictures, sure to suggest new holiday ideas for even the most jaded traveler.

There are plenty of money-saving suggestions, but some obvious ones are overlooked. Prices of Canadian trips are followed by "plus U. S. tax," although the American can save that tax by buying his ticket here. Nor is there any reminder that Canadians can often make appreciable savings by buying overseas air and ship tickets with cheaper U. S. dollars.

• • •

WINING AND DINING IN FRANCE WITH BON VIVEUR; McClelland & Stewart Ltd., Toronto; 225 pp.; $2.

The most important thing on a trip to France, of course, is to eat well — for nowhere else do such golden opportunities exist for those who take the trouble to seek them out.

One who takes that trouble regularly is Bon Viveur, a columnist for a London newspaper. This is a collection of his "discoveries", with emphasis on the outstanding but inexpensive restaurants to be found in the French provinces.

An ideal companion for the touring gourmet.

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MONT-SAINT-MICHEL AND CHARTRES, by Henry Adams; Doubleday, Toronto; 455 pp.; $1.45 (paperback).

Like music and painting, so can stone and glass sometimes stir men's spirits. Those two incomparable masterpieces of the Middle Ages, the great abbey on the rock of Mont-Saint Michel and the cathedral at Chartres, are more than superb architecture—they are sublime art.

Henry Adams wrote this profound, personal account of their impressions on him in 1904 following his visits to Northern France. Privately printed in 1905 and first published in 1913, the book now becomes widely available in this Doubleday Anchor paperback.

With these two great monuments as his point of departure, Adams has lovingly analyzed the mind and spirit and faith of 13th Century man.

• • •

NEW YORK PLACES & PLEASURES by Kate Simon; Longmans Green & Co., Toronto; 352 pp.; $2.10, paper.

This is, as its subtitle asserts, an uncommon guidebook—it begins by telling the truth about New York's waiters and cabdrivers. If, after reading about them, you still want to go to New York, the author offers many useful and readable suggestions about dining out, entertainment, shopping and sightseeing.

THE YEARS WITH ROSS by James Thurber; Little, Brown & Co., Toronto; 110pp.; $5.50.

Harold Ross, founder of the New Yorker in 1925 and its editor from then until his death in 1951, was an outstanding subject for biography. As Thurber, who spent 25 years on his staff, describes his characteristics, eccentricities and plain crankiness, an overwhelming question intrudes: How did the magazine thrive so well under such a man?

It is the main drawback of the book that Thurber does little to answer the question or seem more than slightly aware of its existence. One can only conclude that Thurber was not attracted to the pedestrian task of chronicling Ross's more mundane characteristics.

The make-up of the book supports this view. It ignores chronological order, is sometimes repetitious, and leaps freely from highlight to highlight. It is nonetheless fascinating and entertaining.

• • •

A QUITE REMARKABLE FATHER by Leslie Ruth Howard; Longmans, Green & Co., Toronto; 307 pp. $4.75.

The father in question is Leslie Howard, British screen star and stage actor who died in 1943. The author is his 35-year-old daughter, now Mrs. Robert Dale-Harris, who lives in Toronto.

She has written a most comprehensive account of her father's life, both public and private, and provided a wealth of interesting, if sometimes trivial, detail.

• • •

THE BLACK DIARIES OF ROGER CASEMENT, by Peter Singleton-Gates and Maurice Girodias; 536 pp.; McClelland & Stewart Ltd., Toronto; $8.50.

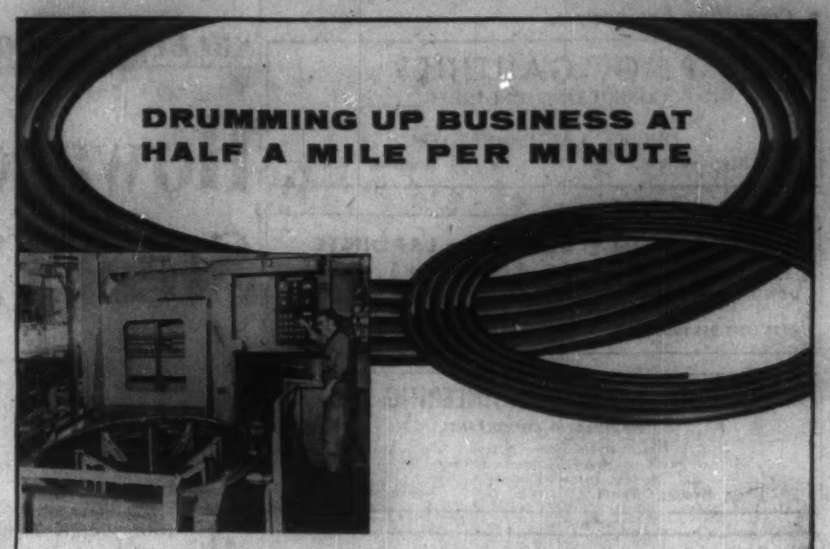
Roger Casement was one of the giants of humanitarianism of the early 20th century. His 1903 report on the incredibly cruel treatment of rubber workers in the Belgian Congo, and his 1910 report on the even more savage slavery imposed on the Indian natives in Peru's rubber jungle, stirred the conscience of the English-speaking world—but did little to bring lasting relief to the victims of the plantation owners.

His two reports, and slightly expurgated versions of the personal diaries he maintained during the investigations, are presented here on facing pages, and comprise most of the volume.

The diaries, with frequent allusions to Sir Roger's perversion, were circulated privately in influential U. K. and U. S. circles in 1916, to offset the sympathy felt for their writer.

The government of the day was obviously determined that Sir Roger should be executed for treason, for his almost comically bungled landing from a German U-boat on Irish soil, to participate in the Dublin uprising of Easter Sunday, 1916.

Casement was hanged four months later — the only man ever to die for breach of a 1351 statute written in Norman-French.



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The appointment of Ben H. Holdsworth as General Manager, Montreal Office, is announced by W. H. Wilkes, President of Tandy-Richards Advertising Limited. Mr. Holdsworth is well known in Montreal advertising circles, having been Vice-President of J. Walter Thompson Company Limited in that city. He was also associated with several U.S. and Latin American offices of the Thompson organization. More recently, he has headed his own business as a marketing consultant.

YOUR TAXES

An exclusive FP column of comment on the trends in personal and business taxation.

Other Businesses May Copy U.K. Brewers' Tied Houses

By *JOHN C. McDONALD, LL.M.*
McCarthy & McCarthy, Toronto

THE EXPRESSION "tied-house agreement" is generally used to describe a contract under which, for a consideration, a merchandising firm obtains the covenant of a distributor or retail outlet to handle the firm's goods exclusively.

Agreements of this kind first became common in the U.K. in the brewing industry, where financial assistance was commonly given by brewers to owners of public houses against the publican's promise to sell the beer of his benefactor and none other.

In the past few years, there has been a rush of tax cases dealing with the present similar practice of the U.K. petroleum industry.

The most recent example is the Scottish case of **I. R. C. v. Achilles Motor Co.**, in which the Revenue department attempted to collect tax on amounts received by a garage proprietor from **Esso Petroleum Co.**

The amounts in question were paid to enable the taxpayer to purchase additional land and to enlarge his workshop, and the consideration given was the taxpayer's agreement to sell Esso products exclusively for a term of 10 years.

The Court held that the sums received were capital — and therefore not taxable — because they were the price of a capital asset in the form of the taxpayer's "unrestricted freedom to trade as he wished."

Canadian law is still spotty in this area, but with the apparent advantage of tied-house arrangements, we expect to hear more on the subject in due course.

Loss Carryover Is Easier Now

One of the basic rules of income tax law is that the tax is an **annual** levy. We pay tax for each taxation year — which is the calendar year for most people—without regard to our income and tax position in other years.

An important exception to this rule is that business losses may, in certain circumstances, be "carried back" for one year and "carried over" for five years.

For example, if a businessman suffers a loss in 1959, he may carry that loss back to 1958, file an amended return for 1958, and obtain a tax refund.

Further, if his 1959 loss is larger than his 1958 profit, he may carry the difference over to 1960. If he doesn't use up the whole loss in 1960, he may carry the unused balance over to 1961—and so on until 1964.

Until 1958, however, this spreading of losses over a seven-year period was subject to an important limitation called "the same business rule". As illustrated by the recent case of **No. 637 v. Minister of National Revenue**, "a merchant who derived his taxable income from his trade, was precluded from deducting from such income the losses he may have sustained in previous years **in the carrying on of another type of business**".

The statute provided that the amount deductible as a loss carryover or carryback could not exceed the taxpayer's income, in the year to which the loss was carried, "from the business in which the loss was sustained".

Under present law, a loss may be offset over the years prescribed against income from **any** business, subject to a special rule designed to impede trafficking in "tax-loss" companies.

Tax Collectors Too Eager Here

In the recent case of **Christensen v. Minister of National Revenue**, the Tax Appeal Board dealt with an example of what appears to be tough revenue policy in capital gain cases.

Miss Christensen had purchased an interest in farm lands in 1953 as an addition to lands held since 1946. She was and is a bona fide farmer and a highly skilled and successful agriculturist. With her partner, she acquired the additional acreage solely for farming purposes.

Yet she was assessed to tax on profit derived from the sale of part of the land in 1954. **The sale was made reluctantly and under pressure, and the taxpayer subsequently sold out completely and bought a new farm away from Toronto's expanding suburbia.**

The Board allowed her appeal, and might well have expressed surprise that the assessment was made in the first place.

Canceled Debt Ruled Taxable

After years of theoretical speculation on the subject, we are now being treated to a rash of cases dealing with "cancellation of indebtedness."

In the **Oxford Motors** case in May, the Supreme Court sidestepped the issue, but presumably must face it squarely in the **Plimley Auto mobile** case.

Briefly, the issue is whether cancellation of a business debt gives rise to taxable income in the hands of the debtor who enjoys the cancellation.

The question may be subdivided further by distinguishing between "trade" debts — such as an amount payable for goods purchases as inventory — and capital debts affecting the long term financial position of the debtor taxpayer.

We intend to comment further on this subject, and introduce it here solely for the purpose of reporting the latest twist illustrated by the Board's decision in **Estate of Pitt v. Minister of National Revenue.**

It seems that a company controlled by the late Mr. Pitt sold a business to another company owned by Pitt's son and son-in-law. The price was $74,000, payable on terms.

Three years later, in view of the failure of the purchasing company to pay more than a nominal proportion of the purchase price, $30,000 of the total amount was "written down and forgiven" at the rate of $5,000 annually commencing in 1954.

Can This Decision Stand for Long?

On these facts, the estate of Pitt the elder was successfully taxed on $5,000 as a "benefit" to him in each of the years 1953, 1954 and 1955.

The statutory basis for this was section 16(1) of the Income Tax Act, which provides that:

"A payment or transfer of money, rights or things made pursuant to the direction of, or with the concurrence of, a taxpayer to some other person for the benefit of the taxpayer or as a benefit that the taxpayer desired to have conferred on the other person, shall be included in computing the taxpayer's income to the extent that it would be if the payment or transfer had been made to him."

The effect of the Board's decision in the Pitt case is that a cancellation of indebtedness is "a payment or transfer of money, rights or things. . ."

With respect, we doubt whether this interpretation of section 16 will be sustained elsewhere, in view of the Board's decision last year in **No. 494 v. Minister of National Revenue** (which was not discussed in the Pitt reasons for judgment) that—

"S.16(1) does not apply unless there is an assignment of a benefit that the taxpayer was entitled to receive — in other words, **a diversion of income** from the taxpayer to another person at the request or with the concurrence of the taxpayer. . ."

Montreal Bank's New Promotions In Staff Changes

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A. N. DEXTER, manager, Snowdon-Hampstead, Montreal, to be manager, 1140 Granville St., Vancouver.

C. L. LINDSAY, Quebec credit department, head office, Montreal, to be manager, Valois, Que.

G. F. BECKE, accountant, Gottingen & Cunard streets, Halifax, to be assistant manager, Moncton, N.B.

E. M. S. JOHNSON, assistant manager, Saint John, N.B., to be manager, Stephenville, Nfld.

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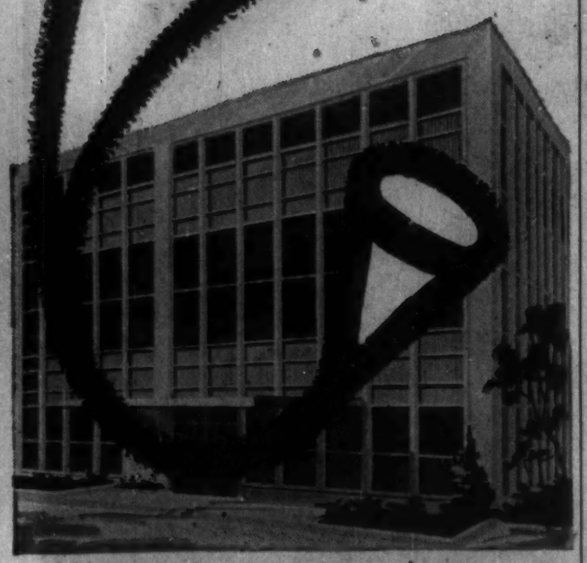

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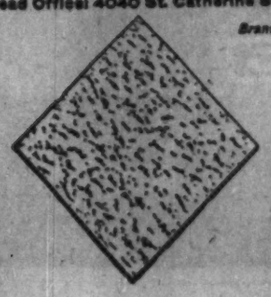

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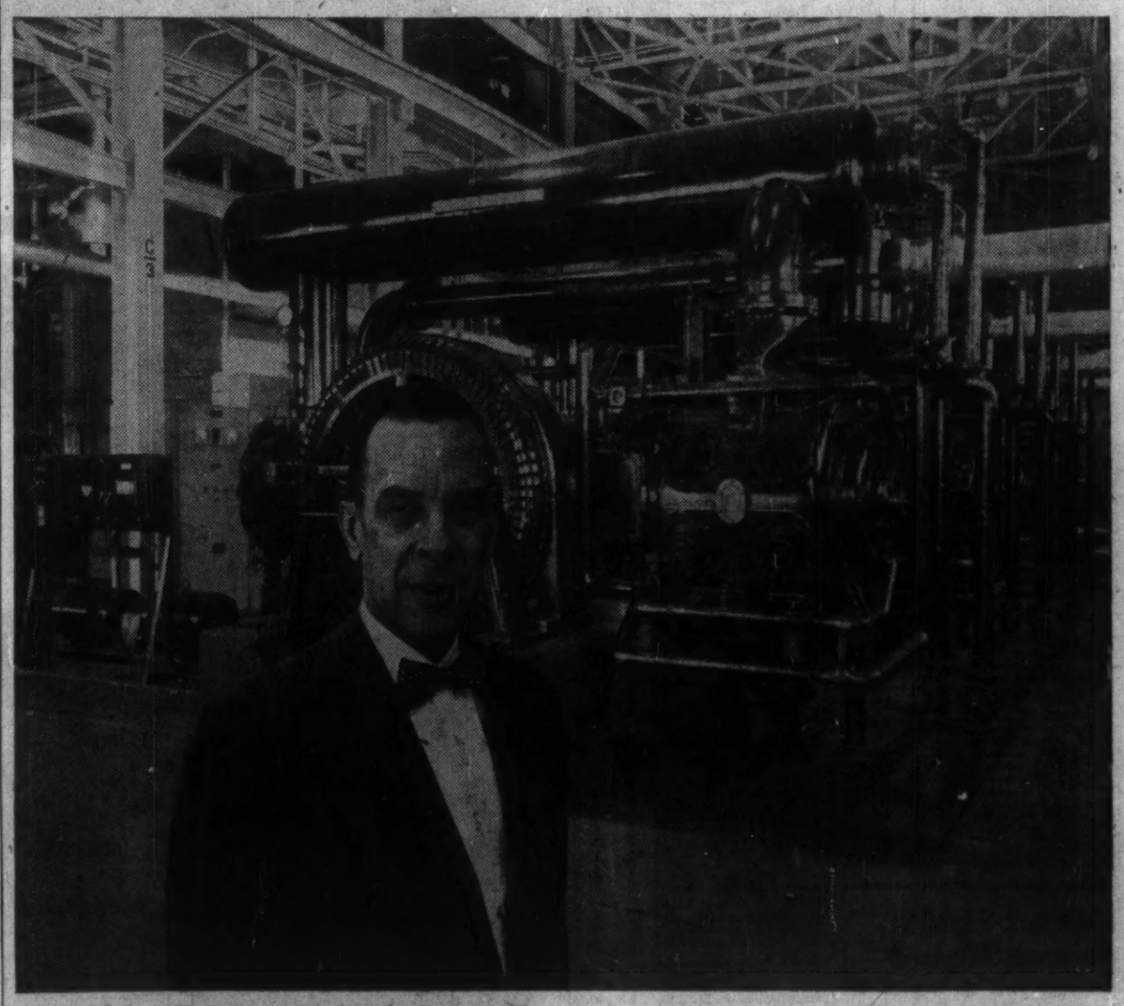


Grover H. Detmer, *Project Engineer, The Cooper-Bessemer Corporation, explains....*

How Cooper-Bessemer compressors supply air for Ford assembly

Compressed air plays an important part in the production operations of the new Ford assembly plant in Lorain, Ohio. Behind this supply, you'll find four 400 hp Cooper-Bessemer compressors with En-Tronic controls. Housed in the power plant building, these units discharge at 104 lbs. pressure. Mains of 8" size carry the air about 1000 feet to the far ends of the huge plant. Pressure there is 98 lbs. The 5-step capacity controls automatically load the compressors to meet plant demands for air.

The Cooper-Bessemer equipment has been in use constantly since the plant was completed a year ago and have given excellent service.

Cooper-Bessemer M-line compressors for industrial air supply are available in sizes from 200 to 10,000 hp. Write for free copy of Bulletin M-31, "Air for Industry."

Cooper Bessemer OF CANADA, LTD.

TORONTO, ONTARIO • EDMONTON AND CALGARY, ALBERTA
NEW YORK 36, NEW YORK

Dividends for Seven Months Show Small Rise on 1958

Dividend payments and declarations for the first seven months of 1959 are substantially the same as those in the same period last year.

Final totals for the first half of 1959, plus the preliminary figures for July, amount to $453.3 million, a rise of 0.2% from the $452.6 million paid in the first seven months of 1958.

The July total so far is $66,064,652 on 323 issues, down 8.4% from the final total of $72,140,775 on 371 issues in July, 1958.

Another gain is shown by the oil companies for the second consecutive month. Declarations to date total $3,925,447 on 14 issues, up 6% over $3,703,335 paid on 20 issues in July last year.

In the mining group, declarations and payments at $9,218,302 on 10 issues were 29.6% lower than the July, 1958, final total of $13,087,005 paid on the same number of issues.

Preliminary figure for the financial group is down 11% — $4.8 million on 67 issues, compared with $5.4 million on 75 issues in July, 1958.

Dividend declarations and payments to date in the industrial and public utilities group amount to $48.1 million on 232 issues, a decline of 3.7% from the $49.9 million paid on 266 issues in the same month last year.

Here is a list of payments for July compiled by **FP** from records available July 6:

Monthly Dividends

	1959 $	1958 $
January	74,600,861	74,602,659
February	38,234,160	37,888,842
March	89,354,316	88,886,022
April	60,112,346	60,750,253
May	30,415,331	27,835,094
June	94,470,917	90,462,573
July	66,064,652	72,140,775
Total	453,272,583	452,586,518

Industrials, Utilities

Company:	Rate $	Date	Amount $
Abitibi P. & P.	.42½q	1	1,769,363
Do. pr.	.28¾	1	131,339
Acadia-Atlantic	.15	2	90,000
Do. pr. A	.30q	2	90,000
Anglo-Can. Pulp	.90q	7	633,135
Do. pf.	.70q	20	105,435
Anglo-Nfld. Dev.	.50q	3	274,921
Anthes Imp.	.35q	15	97,027
Aro Equip.	.25q	15	135,466
Ashdown Hdwre. A	.15q	1	1,230
Do. B	.15q	1	65,737
Ash Temple 6% pf. A	1.50q		3,750
Do. 6½% pf. B	.16¼q	1	4,273
Atlantic Whole. A	.25	2	18,750
Do. B	.25	2	1,875
Avalon Tel. pf. 5½%	.34c	31	20,400
Barber-Ellis 7% pf.	1.75s	15	2,100
G. E. Barbour pf.	.13¾q	2	10,714
Beatty Bros.	.10q+a.10	2	83,400
Beaver Lumber A	.25q	2	19,592
Do. pfd.	.35q	2	22,593
Do. com.	.25q+a.25	2	391,845
Belgium Stores 5% pf.	.25c	1	3,696
Bell Telephone	.50q	15	9,124,272
Biltmore Hats	.10q	15	4,000
Do. A	.25q	15	10,000
Bowater Corp. 5% pf.	.62½q	1	213,737
Do. 5¼% pf.	.65¾q	1	100,957
Brandram-Hend	.25q	15	12,500
Brazilian Tr. pfd.	1.50q	2	5,901
B. C. Elec Rly. 5% pf.	1¼s	19	44,053
B. C. Elec 5½ pf.	.63c	1	315,000
Do. 4% pfd.	1.00q	1	120,000
Do. 4¾% pfd.	1.19p	1	314,319
Do. 4½% pfd.	.56¼	1	168,000
Do. 4¼% pfd.	.53q	1	116,600
Do. 5½% pfd.	.68¾	1	207,000
B. C. Power	.35q	15	1,392,301
B. C. Tel.	.50q	1	750,000
Do. 6% 1st pf.	1.50q	1	15,000
Do. 5¾% pf.	1.43¾q	1	143,750
Do. 4¾% pf.	1.19q	15	88,250
Do. 4½% pf.	1.12½q	1	56,250
Brook Bond pf.	.35q	15	10,117
Building Products	.45q	2	217,533
Burlington Steel	.15q	2	42,000
Burns & Co.	.15q	29	115,062
Calgary Pwr.	.50q	15	535,000
Do. 5% pf.	1.25q	2	50,000
Do. 4½% pf.	1.12½	2	33,750
Do. 4% pf.	1.00q	2	50,000
Canada Bread	.10a	2	20,008
Do. 5% pfd.	.62½q	2	15,625
Can. Electric	1.25q	31	11,250
Do. 5% pfd.	1.25q	1	3,125
Can. Flooring B	.25q	2	10,237
Can. Iron	.37½q	2	297,457
Do. 4¼% pf.	1.06¼q	15	51,326
Can. Safeway 4.40% pf.	1.10q	2	99,473
Can. Steamship pf.	.31¼	2	286,563
Cdn. Breweries	.37½q	2	1,212,233
Do. 5% pf.	.31¼q	2	73,830
Cdn. Canners A	.18¾q	2	87,776
Cdn. Drawn St. pf.	.15q	15	22,176
Cdn. Fairbanks pfd.	1.50q	15	15,438
Cdn. Gen. Electric	2.00q	2	377,690
Cdn. Ice Mach. A	.20q	2	5,000
Cdn. Ind.	.10	31	865,593
Do. 7½% pf.	.93¾	15	41,594
Cdn. Vickers	.15	15	51,750
Cdn. Westinghouse	.25q	2	153,083
Cons. Paper	.40q	15	2,053,078
Consumers' Gas	.25	2	460,202
Do. pfd. A	1.37½q	2	68,750
Do. pfd B	1.37½q	2	137,500
Copp Clark pf.	1.50q	1	7,500
Craig Bit	.04	10	9,280
Crown Zell. (Can.) A	.25q	2	90,301
Dom. Corset	.25q	1	34,375
Dom. Dairies	a.10	15	50,165
Do. 5% pf.	.44q	15	14,300
Dom. Foundries	.30q	2	1,084,152
Do. pfd.	1.12½q	15	82,680
Dom. Glass	.50q	15	212,500
Do. pfd.	.17½q	15	45,500
Dom. Oilcloth	.50q	31	380,000
Dom. Steel & Coal	.25q	30	738,550
Dom. Tar & Chem. pf.	.25q	2	75,000

40-Bond Yield Average Higher

Average yield on 40 bonds as compiled by **McLeod, Young, Weir & Co.** on basis of prices at July 2, was 5.61%, compared with average of 5.50% a month earlier.

Average yields on the provincial, municipal and industrial groups rose .13%, .13% and .21% respectively. Average yield on the public utilities group remained the same.

One change was made in the industrial group during June. **Aluminum Co. of Canada** 3½%, Jan. 2, 1971, was replaced by that company's 4½% issue, due March 1, 1973.

Here is the yield by the various groups:

	July 2/59 %	June 1/59 %	Jan. 2/59 %	July 2/58 %
10 Provincials	5.52	5.39	5.14	4.59
10 Municipals	5.84	5.71	5.38	5.17
10 Public Utilities	5.47	5.47	5.14	4.81
10 Industrials	5.63	5.42	5.22	4.88
40 Bond Yield Ave.	5.61	5.50	5.22	4.86
Average Maturity:				
Years	14	14	14	15
Months	11	11½	9½	3½
Canada 3½% 1/4/74-74	4.94	4.94	4.68	3.94

Financial

	Rate $	Date	Amount $
Mtl. City & Dist. Tr.	.05q	2	10,000
Montreal Trust	.30q	15	120,000
National Trust	.40q	2	130,000
North Am. Fd.	.05	31	40,349
Ont. Loan & Deb.	.25q	2	62,500
Premier Trust	2.00q	1	23,034
Prudential Fin. 6% pf.	1.95s	2	9,077
St. Law. Cred. 6% pf.	.15q	15	2,625
Sterling Trusts	.30q	2	23,505
Sun Life Assur.	1.25q	1	250,000
Tor. Gen. Trust	.40q	2	60,000
Traders Bldg.	.40q	15	25,000
Traders Finance A	.60q	2	612,994
Do. B	.60q	2	144,000
Do. 4½% pfd.	1.12½q	2	39,375
Do. 5% pfd.	.50q	2	57,959
Trans Can. Corp. Fd. 5% pf.	.25q	2	15,000
Do. 4½% pf.	.22½q	2	5,625
Do. 6% pf.	.30q	2	1,500
Union Accept.	.07½q	1	15,401
Do. 2nd pf. pf.	.15q	1	28,173
Do. Com.	1.00	2	90,000
Un. Fuel Inv. 6% pf. A	.75q	2	67,500
Do. B	1.00	2	69,689
Waterloo Trust	.32½q	2	40,625
Western Assur.	.70q	1	107,800
Total			4,946,833
Grand Total			66,064,652

◊One 5% cum. red. 2nd pf. sh. for ea. 5 shs. held.
•One com. sh. for ea. 50 com. shs. held.
••2 shs., 3% non cum. rd. 2nd pf. ($25c par) for ea. cl. A or B-sh. held.
*First foll. stk. reclassification.
**First foll. 4-for-1 stk. split.
‡‡Participating.
q—Quarterly. s—Semiannually.
a—Annual e—Initial. †U. S. funds.
xExtra. ‡On arrears.

Mining Companies

Anglo-Huronian	.25s	23	375,000
Bralorne Pioneer	.10q	31	159,735
Campbell Red Lake	.08½q	28	349,956
Cassiar Asb.	.10q+a.02½	30	495,000
Cons. Smelters	.40s	15	6,552,658
Dome Mines	.17½q	30	340,667
Sigma Mines	.10	28	100,000
Sylvanite Gold	.03	2	98,985
Un. Keno Hill	.06	30	148,200
Ventures	.35s	27	998,101
Total			9,218,302

Oil Companies

Br. Amer. Oil	.25q	2	3,030,834
Cdn. Husky pf.	.75q	1	53,523
Canadian Oil 4% pf.	1.00q	2	10,000
Do. 5% p.	1.25q	2	63,500
Do. 8% pf.	2.00q	2	40,000
Home Oil A	.12½s	2	256,409
Inland Nat. Gas pf.	.25q	15	62,500
North Star pfd.	.62½q	2	72,276
Royalite 5¼% pf.	3281.25q	1	83,380
Superior Prop. $1.40 pf.	.35q	2	14,000
Supertest P. ord.	.25	15	173,195
Do. com.	.02½	15	31,250
Do. 5% pf.	1.25q	15	28,130
Texaco Can. pf.	1.00q	30	40,000
Total			3,925,447

Financial

Administration & Tr.	1.25s	2	59,627
All-Cdn. Div. pd.	.06q	15	103,184
Algonquin Bldg. Cr.	.10c	10	8,625
Br. Amer. Assce.	1.00q	1	75,000
Br. Mtge. & Trust	4.00s	2	41,140
Canada Life	1.15q	2	115,000
Can. Perm. Mtge.	.50q	2	400,000
Can. Trust	.80s	2	120,000
Cdn. Gen. Invest.	.30q	15	288,282
Cent. Can. Inv. pfd.	2.50s	2	54,737
Chartered Trust	.60q	2	36,000
Commercial Fin.	1.50	2	27,007
Commonwealth Int.	.06q	15	154,118
Corp. Inv. A & B	.08q	31	76,012
Crown Life	.70	2	70,000
Crown Trust	.20q	2	30,000
Dom. Ins.	4.00	2	16,000
Dupont of Can. Sec. pfd. 7½%	.93¾q	15	43,594
East. Can. Sav'a & Loan	.30q	2	30,000
Eastern Trust	.25q	2	31,250
Excelsior Life	.80s	2	20,000
Gt.-West Life	1.10q	1	110,009
Guarantee Co. of N.A.	1.30q+2.60q	15	86,174
Guaranty Trust	.20q	15	70,000
Halton & Peel	.10	15	6,613
Huron & Erie Mtge.	.45q	2	135,000
Imp. Invest. 6¾% pf.	.31¼q	31	43,678
Do. 5¾% pf.	.28¼q	31	5,393
Imp. Life $10 par	.50q	1	50,000
Ind. Mtge. & Tr.	2.00	2	28,400
Invest. Found.	.60q	15	42,000
Do. 6% pfd.	.75q	15	15,260
Lambton Loan	2.00s	2	31,500
Laurentide Accept. A	.15q	31	31,081
Do. B	.15q	31	15,000
Do. 5% pf.	.25q	31	6,063
Do. $1.20 pf.	.30q	31	14,160
London Can. Inv. pf.	.75q	2	18,586
Manufacturers Life	1.35	2	232,500
Monarch Life 100% pd.	.40	2	33,935
Mtl. G. & D. Bank	.50q	2	100,000

Company Report

EASTERN UTILITIES LTD., Charlottetown, P.E.I., net profit of $114,630 for 1958 was 1% higher than 1957's $113,496.

Operations in the Sackville, N.B., area were discontinued Feb. 1, following purchase of physical assets of subsidiary, **Eastern Electric & Development Co.,** by the New Brunswick Power Commission for $325,000, President B. P. McCurdy reports.

CONDENSED INCOME ACCOUNT

Years Ended Dec. 31:	1958	1957
Net earnings	$151,761	$150,636
Less: Debent. int.	36,540	36,540
Inc. taxes	591	.....
Net profit	114,630	113,496
Less: Pref. divds.	37,625	37,625
Com. divds.	62,500	62,500
Surplus	14,505	13,371
Times Int. Earned	4.15	4.11
Earnings per Share and Dividend Record:		
5½% Pref.	$4.17	$4.13
Paid	0.55	0.55
3% Pref.	13.27	13.13
Paid	3.00	3.00
Common	3.08	3.03
Paid	2.50	2.50
Shares o/s at Dec. 31:		
5½% pref., $10 par	27,500	27,500
3% 2nd pref., $100 par	7,500	7,500
Common, n.p.v.	25,000	25,000

CONDENSED BALANCE SHEET

As at Dec. 31:	1958	1957
Cash	$9,437	$3,221
Divd., etc., rec.	94,181	39,519
Guar. trust cert.	105,500	97,000
Prepaid exps.	960	1,469
Total curr. assets	150,078	141,209
Invest. in subs.	3,101,585	3,096,465
Total assets	3,251,663	3,237,674
Total curr. liab.	15,995	16,412
4½% debent.	812,000	812,000
Capital stock	2,153,103	2,153,103
Earned surplus	270,565	256,159
Working capital	134,083	124,797

Plan Standard Sizes In Soft Goods Trade

Standard sizing may be coming in the soft goods field in Canada.

Industry representatives and federal government officials are working out a program for use of a Canada Standard mark on garments.

One of the questions still to be resolved: Will the proposed new regulations apply to imports as well as Canadian-made products?

The question of content and performance labeling is also in the air again as the U.S. prepares to enforce new regulations on the labeling of fibre content on all products no covered in existing wool products law.

New labeling act takes effect March 3 next year.

Canadian textile and garment trade is subject to 1956 regulations designed to ensure correct descriptions of the fibre content of materials.

But they do not require that labels be used. They lay down how goods will be labeled if they are labeled.

The label must list in order of predominance by weight all component fibres over 5% in the material.

Canadian Association of Consumers, active in the field of labeling is not pushing for compulsory label regulations in Canada.

Instead, it is calling for a "get-together of the industry" to settle on uniform terms to be used in describing materials, plus requirement for more information in labels that are now used under the existing regulations.

Manufacturers now describe the properties of goods in different terms which tends to confuse consumers, an association spokesman says.

This is an important point in the proper cleaning and care of material containing newer fibres.

Also as a long-term objective, the CAC is shooting for more exact information in the existing content labels which now are required to indicate component fibres in order of predominance by weight.

But the exact percentage content is sometimes important in washing, pressing and care of the product, it is pointed out.

There has been strong resistance in the past to compulsory labeling.

Industry officials argue that it is difficult to meet fine tolerances in some material and very costly to maintain an adequate checking program.

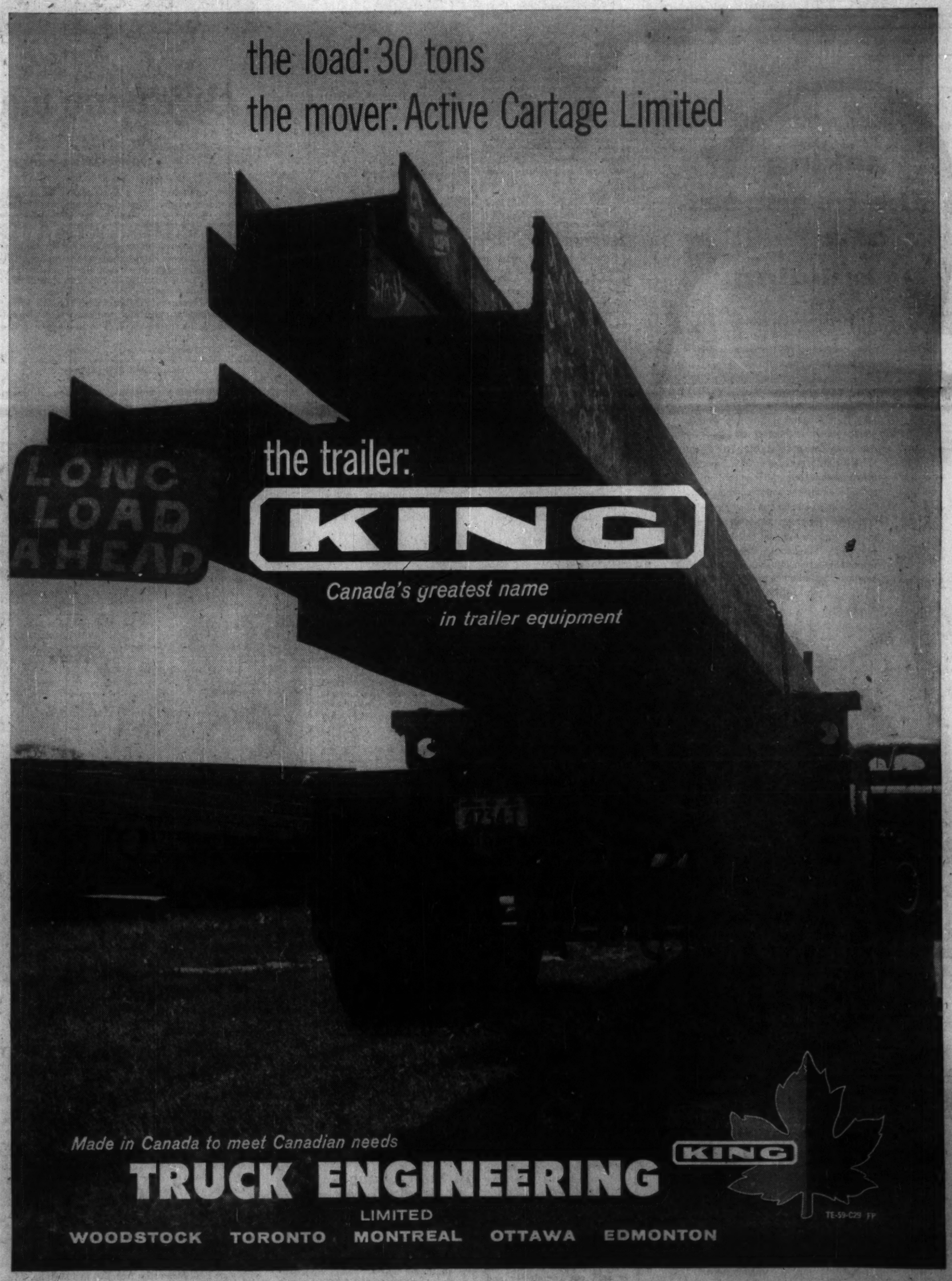
These are the big problems which are now worrying U.S. trade which faces the stiffer label law.

Upper Canada College
TORONTO, CANADA
Boarding and Day School for Boys
(Non-denominational)
PREPARATORY SCHOOL, 7-13 (Grades 2-10)
UPPER SCHOOL, 14-18 (Grades 9-13)
Ontario Senior Matriculation and post-Matriculation VIth form for gifted boys. Spacious grounds. Exceptional facilities for athletic and extra-curricular activities. Large estate at Norval in Credit Valley for weekend camping, scouting and skiing.
Autumn term begins Wednesday, September 16th, 1959
For prospectus and information about curriculum, extra-curricular activities, games and scholarships, apply to The Rev. C. W. Sowby, M.A., D.D., Principal, Upper Canada College, Toronto 7, Canada.

RECORD YEAR

From Our Own Correspondent

WINNIPEG — Frequent, heavy rains have cut down fire losses and damage to timber, setting a record for the Manitoba forestry department, for the half year ending June 30. This is in sharp contrast to last year when there were 250 outbreaks, burning 700,000 acres up to the end of May.



INVESTMENT DEALERS' COURSES

More Than 350 Employees Pass Investment Dealers' Courses

Study courses of the Investment Dealers' Association of Canada have been successfully completed by 333 employees of member firms.

Gold medalist in the senior course was J. O. Finlay of **James Richardson & Sons**, Toronto. Silver medalist was F. J. Bradley of **Harris & Partners Ltd.**, Toronto.

In the junior course, silver medal was won by J. P. Gannon of James Richardson & Sons. Bronze medalist was P. W. Speller of **Equitable Securities Canada Ltd.**, Toronto.

Here are successful students in Course II, the senior course, arranged in order of rank for classes A and B.

HONORS (90-100%)

Nicol MacNicol, McLeod, Young, Weir & Co., Toronto.
P. D. MacMahon, Burns Bros. & Denton, Toronto.
Raymond Croft Woods, Walwyn, Stodgell & Co., Toronto.
J. D. McElhinney, Nesbitt, Thomson and Co., Toronto.
Peter N. Quinlan, Collier, Norris & Quinlan Ltd., Montreal.
T. D. Galt, James Richardson & Sons, Toronto.
R. F. Owens, James Richardson & Sons, Toronto.
R. W. Fowlston, Gairdner, Son & Co., Toronto.
R. J. Dow, Houston, Willoughby & Co., Regina.
William Hutchison, Greenshields & Co., Toronto.

ANNOUNCEMENT

Photo by Montaigne

BERT M. BARR

Mr. Angus A. Campbell, President of Upper Canada Business Administrators, Ltd., with offices in Toronto, Pembroke and Bancroft, announces the appointment of Mr. Bert M. Barr, B.B.A., as administrative councilor in the Company. Mr. Barr was graduated by Clarkson College of Potsdam, New York, after successfully completing a four year course in business administration. Prior to joining Upper Canada Ltd., he was associated with Stromberg-Carlson, management consultants of Rochester, New York.

J. M. McNiven, Bankers Bond Corp., Toronto.
J. D. Canielon, Gairdner, Son & Co., Vancouver.
Peter Matthews, Wood, Gundy & Co., Montreal.
F. B. Woodward, James Richardson & Sons, Winnipeg.
S. E. Styant, James Richardson & Sons, Saskatoon.
E. B. Stephenson, Dominion Securities Corp., Toronto.
J. V. Rogers, H. C. Flood & Co., Montreal.
K. H. Ord, N. L. MacNames, & Co., Toronto.
Godfrey Palmer, Equitable Securities Canada, Toronto.
G. L. Tomlinson, Dominion Securities Corp., Toronto.
J. H. Dies, Equitable Securities Canada, Toronto.
Peter G. Cowie, Collier, Norris & Quinlan Ltd., Montreal.
F. S. Martin, Greenshields & Co., Montreal.
A. M. Rankin, Wood, Gundy & Co., Toronto.
Donald Archibald, James Richardson & Sons, Calgary.
R. B. Atkinson, James Richardson & Sons, Vancouver.
Walter Yasinski, James Richardson & Sons, Toronto.
H. A. Leonard, Midland Securities Corp., London.
J. A. Banfield, Wood, Gundy & Co., Toronto.
R. D. Dacks, Dominion Securities Corp., Toronto.
John L. Harding, Goulding, Rose & Co., Toronto.
R. G. Ross, Collier, Norris & Quinlan Ltd., Montreal.
D. J. Kirkwood, Nesbitt, Thomson and Co., Vancouver.
R. C. Frosts, A. E. Ames & Co., Toronto.
Barry W. Nelson, Nesbitt, Thomson and Co., Toronto.
I. H. Black, W. C. Pitfield & Co., Montreal.
R. C. Turner, Bankers Bond Corp., Toronto.
D. W. Paterson, Wood, Gundy & Co., Toronto.
J. D. Pollock, Mills, Spence & Co., Toronto.
Ronald Turia, Nesbitt, Thomson and Co., Montreal.
E. H. March, Royal Securities Corp., Montreal; H. F. McLelland, McLeod, Young, Weir & Co., Toronto.
R. H. Walker, A. E. Ames & Co., Victoria.
R. L. MacDonald, McLeod, Young, Weir & Co., Toronto.
L. F. Gow, Pemberton Securities Ltd., Victoria.

CLASS B (85.0 - 89.9%)

J. R. Southgate, Ross, Knowles & Co., Toronto.
L. L. Gordon, Nesbitt, Thomson and Co., Montreal.
F. Hume Foxton, Gairdner, Son & Co., Toronto.
P. H. Schlesinger, Nesbitt, Thomson and Co., Toronto.
J. B. Roberts, Bell, Gouinlock & Co., Toronto.
D. N. Sioker, Nesbitt, Thomson and Co., Montreal.
J. P. Youdan, Ross, Knowles & Co., Toronto.
D. K. Wiltshire, A. E. Ames & Co., England.
W. W. Catalane, James Richardson & Sons, Toronto.
H. L. Foster, Izard, Robertson and Co., London.
K. J. Roy, Dominion Securities Corp., Toronto.
E. J. Robertson, Wills, Bickie & Co., Toronto.
E. Ramage, James Richardson & Sons, Saskatoon.
Stanley C. Reeve, Nesbitt, Thomson and Co., Toronto.
H. Beresford-Peirse, Cochran, Murray & Co., Toronto.
J. F. D. Heyward, Mills, Spence & Co., England; Phillip MacPhail, Gairdner, Son & Co., Winnipeg.
R. C. Vickery, James Richardson & Sons, Vancouver.
W. Ganong, James Richardson & Sons, Toronto.
Rupert Hutton, Wood, Gundy & Co., Montreal.
J. Devine, Pemberton Securities Ltd., Vancouver; R. L. Silicox, Harris & Partners Ltd., Toronto.
R. G. Crompton, A. E. Ames & Co., Calgary.
James R. Dunstan, James Richardson & Sons, Lethbridge.

J. C. McDermid, McLeod, Young, Weir & Co., Vancouver.
James Williams, Wood, Gundy & Co., Montreal.
M. B. Lawrence, Wood, Gundy & Co., Winnipeg.
F. C. Hunnisett, Wood, Gundy & Co., Toronto.
G. E. Buckley, Watt & Watt, Toronto.
M. A. David, Credit Interprovincial Ltd., Montreal.
J. L. Humphreys, A. E. Ames & Co., Toronto.
Douglas Hird, Equitable Securities Canada Ltd., Toronto; R. D. Pearson, McLeod, Young, Weir & Co., Toronto; A. B. Vanstone, Deacon Findley Coyne Ltd., Toronto.
C. J. Stewart, Nesbitt, Thomson and Co., Toronto.
Edmund G. King, Wood, Gundy & Co., Toronto.
James Michael MacDonald, Hall Securities Ltd., Vancouver.
George Spence, Royal Securities Corp., Montreal.
G. T. Hanson, A. E. Ames & Co., Toronto.
R. H. Lloyd, Royal Securities Corp., Montreal.
R. M. Brown, Royal Securities Corp., Montreal.
Raymond Casteau, René-T. Leclerc, Inc., Montreal
James J. Johnston, James Richardson & Sons, Toronto.
Richard Cooper, Wood, Gundy & Co., Montreal; Clyde Nagle, James Richardson & Sons, Vancouver.
J. C. P. Mills, McLeod, Young, Weir & Co., Vancouver.
Alec Hamel, W. C. Pitfield, & Co., Quebec.
R. B. E. Samis, Samis & Co., Vancouver.
G. A. Christie, Ross, Knowles & Co., Toronto.
J. K. McAsey, James Richardson & Sons, Montreal.
A. D. G. Reid, Western City Co., Vancouver.
D. I. Jones, Greenshields & Co., Toronto.
N. G. Van Nest, Royal Securities Corp., Montreal.
F. G. Gibbs, McLeod, Young, Weir & Co., Montreal.
J. F. K. Donaldson, Mills, Spence & Co., Montreal.
James W. Dafton, Equitable Securities Canada Ltd., Toronto.
C. M. Poswick, Cominrep S.A., Belgium.
C. A. W. Durnford, Burns Bros. & Denton Ltd., Montreal.
C. D. Bell, Walwyn, Stodgell & Co., Windsor.
Jean-Luc Lussier, W. C. Pitfield & Co., Montreal.
William J. Guiler, Matthews & Co., Toronto.
I. A. Naylor, Dominion Securities Corp., Vancouver.
George Kiddell, Greenshields & Co., Montreal.
L. J. Ryder, Ross, Knowles & Co., Toronto.
G. M. Adams, McLeod, Young, Weir & Co., Toronto.
J. R. Middlemass, James Richardson & Sons, Saskatoon.
Harry K. Talbot, McLeod, Young, Weir & Co., Montreal.

CLASS C (75.0 - 84.9%)

A. E. Ames & Co., J. E. Fruitaine, Montreal; H. S. D. McCarthy, Toronto; K. G. McCord, Winnipeg; R. H. Myles, London.
Bache & Co., C. G. Caulfeu, Toronto.
Bell, Gouinlock & Co., G. M. Doyon, Montreal.
H. J. Bird & Co., B. S. Woo, Vancouver.
F. J. Brennan & Co., R. C. Knight, Fredericton; Allison K. Mutch, Charlottetown.
Burns Bros. & Denton Ltd., N. J. Benzie, Toronto; P. A. Jones, Toronto.
R. A. Daly & Co., J. A. Avery, Toronto.
Davidson & Co., W. Gooch, St. Catharines.
Dawson, Hannaford Ltd., G. H. Bissesar, Andre Paradis, Montreal.
Deacon Findley Coyne Ltd., Gordon M. Sherk, M. R. Stafford, Toronto.
Dominion Securities Corp., R. M. Fletcher, A. L. McBain, Vancouver.
Gairdner, Son & Co., D. A. Crysdale, Montreal; John Harrison, Toronto.
J. L. Gead & Co., J. B. Newman, Toronto.
Goulding, Rose & Co., Thomas A. Chapman, J. C. McKnight, Toronto.
Graham, Armstrong Securities Ltd., D. J. Mott, Montreal.
Greenshields & Co., Paul Bienvenu, B. F. Drummond, Montreal.
Kippen & Co., C. F. Kellander, Montreal.
A. D. Lauder & Co., F. J. Fraser, Vancouver.
MacTier & Co., Jacques Cloutier, Montreal.
Midland Securities Corp., T. R. Kennedy, Toronto; C. F. Roberts, Montreal.
Mills, Spence & Co., R. N. Malone, Winnipeg; W. B. McKenzie, New York; R. W. Nicholls, Toronto.
Nesbitt, Thomson and Co., E. F. Anderson, Calgary; R. J. Clark, Vancouver; M. F. Hackett, A. R. Leschevin, R. G. Potvin, Montreal; H. E. Montgomerie, Toronto.
Oldfield, Kirby & Gardner Ltd., N. A. Gorman, Winnipeg.
Osler, Hammond & Nanton Ltd., Edward G. Jones, Calgary; D. C. Miles, Vancouver.
W. C. Pitfield & Co., W. J. D. Brown, Vancouver; Aime Frenette, Quebec; A. S. Gabor, Montreal; G. E. Peach, Winnipeg.
James Richardson & Sons, A. W. Armstrong, Kingston; Frank Keane, Toronto; Donald McCandlish, Vancouver.
Shearson, Hammill & Co., C. A. Fraser, Montreal.
Wood, Gundy & Co., P. S. Ashley, Vancouver.

Course I, the junior course, was successfully completed by the following candidates, arranged alphabetically by name of employer:

HONORS (90 - 100%)

A. E. Ames & Co., R. de Courcy-Ireland, R. D. Denman, P. B. Reid, Montreal.
Brink, Hudson & LeFever Ltd., A. E. Johnson, Vancouver.
Burns Bros. & Denton Ltd., G. Hueston, J. E. D. Stuart, S. Von Hermann, Toronto.
Deacon Findley Coyne Ltd., R. M. McKend, Toronto.
Doherty Roadhouse & Co., R. S. Carson, Calgary.
Dominion Securities Corp., H. M. Blair, J. L. Fallows, D. Malcolmson, D. Stephenson, Toronto.
Equitable Securities Canada Ltd., R. W. Moody, P. H. Roe, Toronto.
H. C. Flood & Co., B. N. Saunders, Montreal.
Fraser, Dingman & Co., G. F. Caniett, D. E. Watts, Toronto.
Gairdner, Son & Co., Mrs. M. Ridgeway, Toronto.
Gardiner, Watson, Fitzpatrick Ltd., A. Mosker, Toronto.
Graham, Armstrong Securities, A. J. Neilson, H. Zimmermann, Montreal.
Charles King & Co., W. R. Ridgway, Toronto.
Kingstone & Mackenzie, J. V. Kerrigan, Montreal.
C. M. Oliver & Co., L. A. Bates, Vancouver.
Osler, Hammond & Nanton Ltd., Miss H. J. Backman, E. I. Cohen, Winnipeg.
W. C. Pitfield & Co., J. A. Gill, Calgary; H. Howson, Montreal.
James Richardson & Sons, J. B. Cumming, Edmonton; M. E. Martin, Calgary; G. Simpson, Winnipeg.
Royal Securities Corp., R. E. Cormier, J. B. Stirling, Montreal; S. E. Woods, Ottawa.
Wood, Gundy & Co., J. R. Connacher, Winnipeg; P. B. Heathcote, Vancouver; R. M. Kerr, Montreal.

CLASS B (85.0 - 89.9%)

A. E. Ames & Co., W. R. Englebright, Toronto; I. Marus, Winnipeg.
Bache & Co., G. D. Bruce, E. Kramer, Toronto.
Baker, Weeks & Co., G. Douglas, J. T. Morin, Toronto; J. M. Hynes, U. H. Mettler, H. B. Stabenow, Montreal.
Bankers Bond Corp., Mrs. P. A. Douglas, R. W. George, Miss L. E. Parker, P. M. Spicer, Toronto.
Burns Bros. & Denton Ltd., L. Christie, G. S. Condy, J. A. Gable, J. Del Genio, J. R. Howard, K. D. McPhaden, Miss D. E. M. Toner, Toronto.
Carlile & McCarthy Ltd., N. F. Barner, J. Robertson, A. I. Wood, Calgary.
J. H. Crang & Co., L. M. Nellson, Toronto.
F. J. Crawford & Co., P. E. Grimaldi, Toronto.
Creighton, Mackenzie & Co., Y. Hétu, Montreal.
R. A. Daly & Co., W. B. Morris, Montreal.
Davidson & Co., J. Levis, Toronto.
Dawson, Hannaford Ltd., H. J. Jean-Marie, Toronto.
Dominion Securities Corp., G. W. Fagan, D. R. Tuck, Montreal; A. I. Green, D. Lager, J. McPhail, A. Ruys de Perez, H. R. Scrivener, N. A. Walker, Toronto.
Eastern Securities Co., F. D. Auburn, Saint John; D. J. Burgoyne, D. N. Pappas, Halifax.
Equitable Securities Canada Ltd., V. J. Desroches, Montreal; P. G. Greene, Toronto.
H. C. Flood & Co., A. Hollinger, Montreal.
Gairdner, Son & Co., G. R. Barnard, Miss A. C. Follett, Toronto; C. A. T. Cohoon, H. H. Johnstone, Vancouver; B. B. Maxwell, J. H. Sandwith, Toronto.
Goodwin Harris & Co., A. E. Bradley, Chatham; J. M. Richardson, Toronto.
Greenshields & Co., F. D. Auburn, Miss R. P. Cathcart, P. Cole, G. M. McPherson, Toronto; J. A. Nielsen, Montreal.
Hall Securities Ltd., E. C. Roper, Vancouver.
Harris & Partners Ltd., J. Hassan, Toronto.
The Investment Dealers' Association of Canada, Miss G. M. Fraser, Toronto.
Charles King & Co., F. A. McCormack, Toronto.
René-T. Leclerc, Inc., S. Senécal, Montreal.
G. E. Leslie & Co., J. E. Priest, Halifax.
Locke, Gray & Co., J. L. Lockhart, Calgary.
Mackellar, Wisener Ltd., P. A. D. Smith, Toronto.
Matthews & Co., G. L. Davis, Toronto.
McLeod, Young, Weir & Co., B. P. Allan, Miss M. A. Ramer, Miss P. E. Lloyd, Toronto; J. B. Morrell, Vancouver.
Midland Securities Corp., D. C. MacKay, Montreal.
Morgan, Ostlguy & Hudon Ltd., R. R. Rich, Montreal.
Moss, Lawson & Co., A. Phillips, Toronto.
Nesbitt, Thomson and Co., G. J. Barry, J. J. Concagh, New York; E. R. Finch, Vancouver; G. G. Kennie, Toronto; J. D. Mack, J. G. Bernardi, Mrs. V. D. Miller, Montreal.
O'Brien & Williams, R. B. Verner, Montreal.
Okanagan Investments Ltd., R. I. Cottle, Kelowna.
C. M. Oliver & Co., J. L. Williams, Vancouver.
Osler, Hammond & Nanton Ltd., J. De La Cour, Toronto; G. Hedenstierna, H. Osler, Calgary; A. R. Maxwell, A. Westbrook, Winnipeg; D. Nenson, Regina; D. F. Wilkinson, Vancouver.
Pemberton Securities Ltd., D. Cupit, I. S. Raleigh, Vancouver.
W. C. Pitfield & Co., M. N. Buchkowski, D. D. Wilson, Miss V. J. Collison, P. A. B. DeWit, Miss B. L. Fennell, Toronto; A. B. Inglis, Halifax; J. D. Pollard, Victoria; J. L. Scott, L. Gerand, R. K. Thomas, Jr., Montreal; B. Tittmann, Edmonton; Miss C. E. Campbell, Winnipeg.
Thomas B. Read Co., G. Cherrier, Vancouver
James Richardson & Sons, J. J. J. Barake, G. C. Rae, J. D. Lewis, Vancouver; A. L. Doughty, Swift Current; G. G. Maycock, Kitchener; Mrs. A. I. McMaster, M. J. Monminie, Leamington; J. K. Nixon, Montreal; R. A. Rhodes, Windsor; F. S. Ritchie, G. Bone, W. H. Bullas, L. Snowball, W. B. Gunn, J. Thornton, R. B. McQueen, R. F. Wallace, G. P. Wood, Winnipeg.
Ross, Knowles & Co., Miss J. A. Freeburne, Toronto.
Royal Securities Corp., W. D. Guy, Winnipeg; J. F. deWatteville, K. G. Copland, Montreal
Stanbury & Co., Miss N. G. Bell, J. M. Kinnaird, Halifax.
Watt & Watt, J. Kettles, R. M. Newdick, Toronto.
Willis, Bickie & Co., J. D. Seagram, Toronto.
Wisener and Co., B. Benitz, R. R. Harrison, Toronto.
Wood, Gundy & Co., W. J. Beacham, London, Eng.; P. P. Biggs, A. D. Thomas, R. E. Davis, E. C. Malcolmson, Toronto; A. S. Robinson, Winnipeg.

STOCK EXCHANGE ENROLLMENTS
Class B (75.0 - 89.9%)

Montreal and Canadian Stock Exchanges
D. B. Riddle, Montreal.
J. P. Cannon & Co.—G. H. McCaslin, Toronto.
John M. Easson & Co.—W. Ehrich, Toronto.
Easton, Fisher & Co.—A. J. White, London.
R. H. Scarlett & Co.—G. F. Day, Toronto.
L. J. West & Co.—A. L. Blaney, Toronto.

HOUSING LOANS

A federal government loan of $1.3 million has been made by Central Mortgage & Housing Corp., to **Ville Emard Holdings Ltd.**, for construction of a 182-unit low rental housing project for low income families in Montreal. Principals in the company are L. Zablow and H. S. Lang of Montreal. A loan of $853,866 has been made to **Janus Apartments Ltd.**, Hamilton, Ont., for construction of a 105-unit low rental housing project for low income families in Hamilton. Principal is Hudson R. Elmore of Hamilton.

Experience and Equipment

for fast, accurate production of rubber and plastic components

General Tire's years of experience and special equipment serve hundreds of Canadian manufacturers with high quality rubber and plastic components.

Our engineers will gladly assist you in redesigning or converting any part for economical production by molding or extrusion.

THE GENERAL TIRE & RUBBER COMPANY OF CANADA LIMITED

Industrial Products Division

WELLAND, ONTARIO

PLASTICS GENERAL RUBBER

SALES OFFICES

TORONTO
5311A Yonge St., Willowdale

MONTREAL
7905 St. Laurent Blvd.

LONDON COMPANY MEETING

DAILY MIRROR'S ACTIVE YEAR

Buoyant Advertising

The thirty-ninth Annual General Meeting of THE DAILY MIRROR NEWSPAPERS LIMITED was held 3 July 1959 at Brettenham House, Lancaster Place, London W.C.2, Mr. Cecil H. King, Chairman and Managing Director, said:

Your company has experienced a very active and successful year, with an enlarged profit by the Daily Mirror and the acquisition of an important new enterprise. The trading profit of the company, after depreciation, was £2,252,313, exceeding the previous year by £814,308. Much of this increase is due to a full year's revenue at the revised selling price of 2½d.

Advertising is buoyant and we have been able to obtain all we can find room for. The Daily Mirror's increase in the volume of advertising carried over 1957 has been much greater than that of the popular daily press as a whole. This is a healthy sign, particularly as the tendency persists for production costs to increase.

As indicated at the time the offer was made to acquire the equity capital of The Amalgamated Press Limited, and with due regard to the still quite substantial capital commitments of the group, your Board recommends a final dividend on the Ordinary and 'A' Ordinary stock of 15% which, with the interim dividend of 10% declared in October, makes a total of 25% for the year. The shares being issued in connection with the Amalgamated Press acquisition do not rank for this dividend, but will participate in all distributions of profits for the financial year beginning 1 March 1959.

The preparation of accounts consolidating the financial results of the company with its forty-six United Kingdom subsidiaries has necessitated the Annual General Meeting being called a month later than in previous years, with consequent effect on the date of payment of the final dividend on the Ordinary and "A" Ordinary stocks. It is likely that interim dividends will in future be declared a month later than in the past and paid in January instead of December.

Acquisition of Amalgamated Press

The purchase of the equity capital of The Amalgamated Press Limited was prominent amongst the year's activities. You will recall that in connection with the transaction a resolution was passed at an Extraordinary General Meeting on 30 December 1958 to increase the authorised share capital of The Daily Mirror Newspapers Limited by £4,000,000 to £9,000,000. In order to maintain its interest in the equity of your company, and as part of the Amalgamated Press transaction, Sunday Pictorial Newspapers Limited purchased some 3,000,000 of the Daily Mirror shares issued to Amalgamated Press shareholders.

Your company's entry into the magazine industry is a natural extension of its activities as an expanding publishing group. The addition of the Amalgamated Press provides a balance which, together with our interests in the paper trade on one hand and commercial television on the other, is the hallmark of a well-integrated concern.

A diverse enterprise

While its principal activity is publishing, the Amalgamated Press (whose name has been changed to Fleetway Publications Limited) is a diverse and widespread enterprise, operating several printing factories, an engraving works and a bookbinding company. A notable contribution to the resources of the group is made by The Imperial Paper Mills Limited, one of the larger paper-making plants in this country. Its subsidiary, Gulf Pulp & Paper Company in Canada, supplies a large portion of the mills' pulp requirements.

There must be few of us who have not read an Amalgamated Press magazine at some point in our lives. Their range and variety is unique. In addition to women's and children's magazines, the firm issues general periodicals which appeal to both sexes and all age groups. It has no political publications. Many of the titles, such as *Woman's Journal*, *Woman's Illustrated*, *Popular Gardening*, *Argosy* and *Children's Newspaper*, will be very familiar to you.

Through a major holding in Kelly's Directories Limited, which in turn owns the Associated Iliffe Press and Thomas Skinner & Company, the Amalgamated Press controls a family of flourishing trade and technical publications. Many of these have a key function in the spread of technical developments in the industries which they serve. Among those of wider appeal are *The Autocar*, *Flight*, the indispensable *Post Office London Directory* and Skinner's *Stock Exchange Gazette*. Advertisement revenue from these publications is virtually uninfluenced by television competition, a factor tending to affect the trading position of some magazines of more general interest.

Over many years the minds of hundreds of youngsters, and grown-ups too, have been quickened by the output of the two book-publishing subsidiaries, The Educational Book Company and The Waverley Book Company, whose lists of standard works and encyclopaedias include such echoing titles as Sir Winston Churchill's war memoirs and Arthur Mee's *Children's Encyclopaedia*.

Razor-edged competition

The Amalgamated Press magazines have had an arduous year. Public taste in magazine reading is becoming markedly selective and competition is razor-edged. Due to the expenditure of large sums on essential promotion and publicity, the non-technical publishing side of Amalgamated Press activities made a comparatively meagre contribution to the trading profit during the year under review.

The price of progress is expensive and, although advertisements are bringing in more revenue, the magazines themselves need a considerable degree of modernisation. It is bound to be some time, however, before the printing plant can put our plans into effect. Furthermore, general improvement depends to some extent upon the selection and training of new young executives, who will need time before they can play their full part in restoring the Amalgamated Press to its former pre-eminence.

In the meantime provision is being made for the latest presses and equipment, for the editorial contents and techniques of the magazines to be brought up to date and, we trust, for a new surge forward by this magnificent old business.

The pulp and paper industry

Bearing in mind the slight recession through which the industry is passing, your pulp and paper companies have done well. The profits of the Amalgamated Press subsidiary, The Imperial Paper Mills Limited, reached a peak in the year under review, but are likely to be lower in the current year, a reduction partly attributable to heavy competition from foreign mills. On the other hand, the profits of Anglo-Canadian Pulp & Paper Mills Limited recovered in the year under review against the general trend in the industry and the prospects for the current year give hope of further improvement. Albert E. Reed & Company Limited, in which we have an interest, is also affected by world trading conditions and profit margins are narrowed.

Lively newpapers

Of the other companies with which you are concerned, you may already have heard that, following the price increase of October 1957, your associated company, Sunday Pictorial Newspapers Limited, had another successful year. The light-hearted weekly, *Reveille*, in which your company and the Sunday Pictorial each hold 50% of the shares, remains the best seller in its field in spite of keen competition.

Our newspapers in Scotland, the *Daily Record* and *Sunday Mail*, continue to set a lively pace in one of the most vigorous areas of publishing competition in the United Kingdom. The sales of the *Daily Record* have increased by over 100,000 in the years since we took over to the present average of around 440,000. The past year's company results have been satisfactory and encouraging signs are appearing for the year ahead.

Trading conditions in Ghana and Sierra Leone were more difficult for our West African group of companies, but profits were maintained during the year. With the way open towards full independence for Nigeria within the Commonwealth in 1960, prospects for our newspapers in the Federation are good.

Television interests

Your interests in Associated TeleVision Limited are prospering. The accounts in your hands include dividends amounting to 70% and a dividend of 100% for the current year is anticipated.

Included in the purchase of the Amalgamated Press was a one-third interest in Southern Television Limited. During the current year this company has been granted a licence to operate a satellite station at Dover. Since we are not allowed to hold shares in more than one commercial television company, arrangements are being made for the sale of this interest.

Withdrawal from Australia

A further event of importance during this busy period was our withdrawal from Australia. We first sold our radio and television interests, then our holdings in the Herald and Weekly Times Limited of Melbourne were disposed of. Large sums of money have been invested in our Australian interests in the last decade and, although at one time it appeared that substantial losses would be suffered, we have been able fully to recover our capital.

Daily Mirror's new home

By the time I next stand before you, we expect to be operating from our new building in Holborn Circus, which is already one of the landmarks of Central London. We have long since outgrown Geraldine House, which was adequate when we first entered it over thirty years ago. The capital investment scheme thus thrust upon us has given rise to technical opportunities which have been fully grasped. The publishing room, where newspapers are made up into parcels, will have a degree of mechanisation exceeding anything on this side of the Atlantic. The same can be said of certain aspects of the press room operations. A unique automatic telephone system is to be installed. Future needs are being taken care of by the erection of a secondary office building across the road from the main building.

The addition of the Amalgamated Press to our family of companies has increased the number of our employees by over 11,000. I should like to close with a word of thanks to all of them, old and new, for their help in achieving a successful year.

Company Reports

Food

HARDEE FARMS INTERNATIONAL LTD., Toronto, reports a consolidated net profit of $90,511 for the fiscal period ended March 28, 1959.

Profits were derived largely from 360 acres of fully matured land in Canada and earnings of two packaging plants at Bradford, Ont., and Sherrington, Que., for period from Aug. 16 to March 28, President Abraham Dees reports.

Company was incorporated Feb. 2, 1959, but did not become operational until March 9, when it acquired all the capital stock of **Hardee Farms Ltd.**, Sherrington, Que., and **Holland River Gardens Co. Ltd.**, Bradford, Ont. A 50% interest is held in **Ottawa River Farms Ltd.**, Alfred, Ont., the other 50% being owned by Hardee Farms Ltd.

Company owns approximately 6,326 acres in Ontario and Quebec and some 9,000 acres in Florida. Latter acreage is run by **Tropical Farms Division**, Lake Placid, Fla.

An additional 8,500 acres adjacent to Tropical Farms have been contracted for purchase.

Plans call for bringing considerable new acreage into vegetable production in Canada and the U.S., as well as development of some 5,000 acres in Florida for citrus groves.

A fruit and vegetable packaging plant at Lake Placid is being considered. The forage dehydration operation there will be expanded.

Expansion of packaging facilities at Bradford and cold storage facilities at Sherrington will be completed during the current fiscal period.

Outlook for the coming year is favorable, Mr. Dees states.

COND. CONSOL. INCOME ACCOUNT

Period:	*To Mar. 28 1959
Net earnings	$197,118
Less: Deprec.	58,463
Interest	17,454
Income tax	130,700
Net profit	90,511
Less: Subsid. pref. divds.	19,111
Pref. divds	13,357
Surplus for year	58,043

*Covers period from Feb. 2, 1959 (date of incorp.) to Mar. 28, 1959, and includes operations of Canadian subsids. from Aug. 16, 1958, and of Tropical Farms division from Mar. 9, 1959.

‡By providing for tax purposes, depreciation in excess of that shown in accounts, income tax otherwise payable has been reduced by $37,150 and by claiming for tax purposes the full amt. of deferred land development costs, taxable income of $109,567 has been eliminated.

Earnings per Share and Dividend Record:

6½% 1st Pref.: Earned		$7.32
Paid		1.37
2nd Pref.: Earned		7.05
None paid.		
Common: Earned*		0.00
None paid.		

*After allowing for dividends of $1.37 per share on 1st and 2nd pref.

Shares o/s as at Mar. 28:	
6½% 1st Pref., $100 par	9,750
Second pref., $100 par	8,329
Common, n.p.v.	535,009

CONDENSED CONS. BALANCE SHEET

As at:	Mar. 28 1959	Feb. 3 1959
Cash & govt. bds.	$33,337	$736,574
Accts. rec.	209,384	157,735
Inventories	836,216	212,939
Prepaid exps.	81,330	306,001
Life insur., c.s.v.	.....	1,265
Total curr. assets	1,125,317	1,414,517
Def. devel. costs	326,581	.....
Fixed assets*	5,679,813	5,913,735
Other assets	1,157,183	1,365,297
Total assets	8,357,994	8,693,547
Due bank	63,340	590,191
Accts., etc., pay.	413,427	258,211
Funded debt due	62,002	79,523
Total curr. liabs.	538,769	927,925
Funded debt	2,638,723	2,643,963
Capital stock	5,121,659	5,121,659
Earned surplus	58,043	.....
†Cash only.		
‡Pro forma.		
*After deprec. of	457,318	411,901
Working capital	585,748	486,592

Food

DAVID & FREBE LTEE., Montreal, net profit of $288,335 for year ended March 31, 1959, was 10.8% higher than previous fiscal year's $260,254.

In February, 1959, company disposed of its Champlain St. property, which had not been used for some time. All services are now centralized in premises on Hochelaga St.

Improvement in operations is continuing, President L. R. Philie says.

CONS. INCOME ACCOUNT

Years Ended Mar. 31:	1959	1958
Net earnings	$304,736	$296,989
Less: Depr.	241,352	230,103
All interest	103,687	‡
Res. for taxes	171,412	106,552
Net profit	288,335	260,354
Less: Cl. A divds.	61,893	61,893
Cl. B divds.	161,000	161,000
Surplus for year	65,442	37,361

‡Deducted before net earnings in co.'s statement.

Earnings per Share and Dividend Record:

Class A‡	$13.96	$13.61
Class A*	3.00	3.00
Paid	3.00	3.00
Class B†	9.85	8.82
Paid	7.00	7.00

‡Before (after) taking participating feature into account.

*Maximum available under participation.

Shares o/s as at Mar. 31:		
Class A, n.p.v.	20,631	20,631
Class B, n.p.v.	23,000	23,000

CONDENSED BALANCE SHEET

As at Mar. 31:	1959	1958
Cash	$89,573	$26,953
Accts., notes rec., less res.	751,486	657,301
Investments	59,520	59,520
Inventories	451,650	406,997
Prep. exp.	103,401	.....
Total curr. assets	1,455,630	1,150,631
Mtge. rec.	159,000	.....
Def. charges	.....	90,511
Goodwill	.....	46,364
Fixed assets*	3,732,381	4,080,306
Total assets	5,346,990	5,375,123
Total curr. liab.	535,944	544,189
Long-term debt	1,900,000	1,900,000
Mtge pay.	.....	6,547
Capital stock	223,929	223,929
Surplus	2,348,797	2,378,547
*After depr. of	1,723,350	1,637,571
‡Market value	49,460	50,050
Working capital	920,345	606,523

Position of Chartered Banks of Canada as at May 31, 1959, Shown by Monthly Returns to Minister of Finance

(Amounts in thousands of dollars)

ASSETS

NAME OF BANK	Gold & coin in Canada	Gold & coin outside Canada	Notes & deposits with Bk. of Can.	Gov. and bk. notes other than Can.	Dep. with oth. banks in Can. currency	Deposits with oth. bks. in currencies oth. than Can.	Cheques and oth. items in transit, net	Gov. of Can. treasury bills	Dom. Gov. Short Term Sec.	Dom. Gov. Long Term Sec.	Prov. Gov. Sec.	Municipal Sec.	Other Can. Sec.	Securities oth. than Can.	Mtges.	Call and short loans in Can.	Call and short loans outside Can.	Loans to Can. Prov. Gov.	Loans to municipalities	Other current loans in Can.	Other current loans outside Can.	Non-current loans	Bank premises	Shares and loans to corporations	Letters of credit	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	4,948	27	214,426	4,190	734	46,973	223,782	198,639	104,907	401,421	83,827	40,368	116,595	29,298	208,340	47,033	112,977	19,868	66,467	1,143,328	61,126	474	43,011	8,216	43,287	3,070	3,227,444
Nova Scotia	1,852	399	83,306	7,497	33	23,072	122,397	87,921	76,653	116,445	19,714	17,852	42,881	59,564	43,343	20,129	118,226	1,067	32,705	630,147	278,437	1	19,776	8,327	24,582	1,152	1,936,449
Toronto-Dominion	2,634	1	98,981	2,777	293	20,519	153,537	99,219	48,562	176,197	67,382	30,169	46,106	29,088	80,408	14,220	135,506	907	21,177	989,766	31,496	98	23,119	.....	18,949	257	1,784,780

Market Comment

What stocks and bonds are doing and what prominent observers say

The New York market appears headed for the phenomenal 700-plus levels on the Dow-Jones industrial averages. As the U.S. market resumed its rising pattern this week the spread between key Canadian and U.S. stock averages widened further. At mid-week the D-J industrials were 114 points higher than the Toronto Stock Exchange industrial index.

The diversion of foreign funds from the Canadian market which first began to be noticed last fall continues a very important factor in the day-to-day trading action in this country. Oils, pipelines and base metals stocks have been particularly affected by this drying up of foreign buying.

Despite the soaring market levels and the increasing need for more investment caution, demand for attractively high-yielding fixed income securities remains at a low level.

* * *

GEORGE ARMSTRONG; Canadian Business Service Ltd. (Toronto)

With the resumption of the uptrend in New York the question arises, how far can the Canadian market go?

If we estimate an earnings recovery of 14% for the present year, Canadian security prices are presently selling at a projected 18.5 times earnings for the full year. This means that security prices are being evaluated on a fairly generous basis even allowing for the dividend tax credit.

The earnings recovery in Canada is due to be highly selective.

The auto, farm equipment and steel industries will do quite well, so will the banks, trust companies, rubber, chemicals, aluminum, nickel, brewing, textile, retail, etc.

The oil industry will have a large increase in volume but poor profit margins.

The newsprint industry will have a considerable increase in volume but will be adversely affected by the premium on Canadian funds. The lead and zinc industry will be similarly affected.

As a matter of fact the entire Canadian economy is to some extent typified by the oil industry—record volume, continued growth, but reduced profit margins.

Eventually this will right itself but not for some time. If we assume that the present business uptrend will continue until well along in 1960, it is probable that the Canadian market has further to go.

At the same time it is likely to give a rather selective and uneven performance in line with the earnings improvement that can be visualized.

* * *

R. A. FISH; W. C. Pitfield & Co. (Montreal)

Although there has been a sharp advance in U.S. markets to an all-time high, Canadian stocks have failed to surpass the August 1956 and March 1959 levels as judged by the Montreal combined index.

However, by most previous statistical measures the Canadian stock market appears high at present levels.

This is not to say that stocks of certain industries and various individual companies could not justifiably continue to move upward in the coming months.

The banks, steels and gas stocks still appear interesting, and we continue to favor several selected stocks. For the market as a whole, however, potential gains appear limited, and we would not suggest large-scale investment in common stocks at these levels.

Investors should always attempt to buy good value and right now value is pretty hard to find in the stock market. In contrast, however, the yields on fixed-income securities have not been as good since the early 1930s.

History has shown us that traditional investment values do not remain out of line for any prolonged period.

For this reason, **it seems advisable to start proceeding toward a more defensive position by selling certain common stocks which appear high in relation to potential earnings and by buying selected bonds and preferred shares.**

Any corrective measures undertaken to control inflation would further restore confidence in fixed-income securities and at the same time destroy the arguments for buying stocks at any price as an inflation hedge.

* * *

H. E. BOULTER; Draper, Dobie & Co. (Toronto)

Since the upturn which began in late 1957 the banks have outpaced the commons to a greater extent than at any time since these stock indices were started in 1914.

When this condition in the past prevailed — the common stocks lagging — it proved, without exception, that price rises in the commons would close the gap and this was followed in sequence by general market declines.

Currently, an investor can hope that the common stock market will repeat past performances and catch up to the banks — thus an impressive capital appreciation is possible before this bull market is over, or alternatively believe that the reasons which have caused the rise so far are losing their effectiveness.

These reasons are principally fear of inflation and distrust of secured fixed income return both of which have concentrated buying into "growth" stocks.

Right now government bonds are providing the most liberal of yields but although we are still in the period when capital growth, without immediate income is the belief of investment management, there is the beginning of a trend on the part of conservative investors to take for certain 5% plus for a short time in the future rather than gambling that popular stocks can earn enough in the same period to pay an equal return.

Bank shares have a record of recent growth that far exceeds any mutual fund in the same period. This year and the future should show continuation of this trend but bank stocks, like utilities, are influenced by the prevailing yield and income offered by bonds and investment-type stocks, and now the latter are providing much more liberal returns with equal safety.

This could slow down the advance of the banks and at the same time lift the prices of the rest of the market, but the bank prices would have to seriously weaken before one would believe that Canadian business conditions were deteriorating.

The TSE industrials' current strength and the softer prices for banks could well **be the beginning of the final stages of the market upturn** but this transition could take several months before selling "signals" which occurred in the past are visible.

Mutual Funds

	Divd. pd. cents	Bid	Ask
All-Can. Com. Fd.	7.23(29.37)	8.31	9.03
All-Can. Div. Fd.	18+1(34)	6.77	7.30
American Growth	6(28)	7.72	8.41
Assoc. Investors	16(33)	8.65	8.75
Can. Invest. Fund	16(34)	9.34	10.25
Canafund	10+(125)	38.81	40.75
Champion Mut. Fund	10(30)	5.57	6.12
C'wealth Inter.	21(30)	8.52	9.36
Corporate Inv.	18½(34)	9.49	10.37
Diversified Inc. B	5.4(11.6)	4.25	4.65
Dom. Equity I.	20+12(40+12)	16.50	15.81
Dom. Comp. Fund	15	10.24	10.65
Do. nonres.	15	10.22	10.63
Dominion Funds	15	10.10	10.50
First Oil & Gas		4.56	4.90
Group Accum.		5.75	6.28
Grouped Inc. (n.)	14.2(30)	4.05	4.43
Growth Oil & Gas		7.40	7.75
Invest. Growth	(8.5)	6.50	7.03
Investor's Mut.	24(32)	11.79	12.74
Leverage Fund	6(17)	6.99	7.67
Mut Acct. F.	7.27(23.42)	7.81	8.54
Mutual Bond		5.82	6.16
Mutual Income	12.95(22.73)	5.36	5.86
North American	9	9.23	10.03
Regent Fund Ltd.	(20)	5.81	6.38
Sav & Inv. Mutual	9(17.5)	5.47	5.98
Sup'vised Amer.	6(12)	7.34	7.88
Sup'vised Executive (1955)		31.30	...
Sup'vised Executive (1956)		31.32	...
Sup'vised Executive (1957)		5.37	
Sup'vised Executive (1958)		5.73	5.97
Sup'vised Gr'th Fund	(3)	1.90	2.04
Sup'vised Inc. Fund	8(17)	3.99	4.29
T.V. Electronics	18+6½(-)	15.52	17.06
Timed Invest.	12(22)	5.80	6.26
Trans-Can. A	(97)	31.25	...
Do. B	44.4(95.8)	31.80	...
Do. C	8.4(20)	6.25	6.90
United Accum. Fund	12(23)	15.33	16.66

aPaid or payable in 1959, total paid in 1958 in parentheses.

eOf which 43½ cap. gains dist. in 1958

Gold Bars Quoted

Bids Reported by Doherty, Roadhouse & Co., Toronto.

Canadian kilo bars of gold approximately 33 oz. each.

July 7, 1959

	Bid	Asked
	per oz.	
Latest week	$33.45	$33.64
Previous week	$33.45	$33.65

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$24.50	$24.50	$23.01
Hogs	24.55	24.25	21.00
Copper, lb.	.31½	.31½	.25
Coffee, lb.	.36	.36½	.48¼
Sugar, raw, lb.	.0580	.0580	.0575
Hides	.28½	.28½	.13¾

Weekly Commodity Indices

Dow Jones Fut.	150.34	149.66	157.47
U. S. Labor	119.8	119.4	119.1

Monthly Price Indices

	Latest month	Previous month	Same month last yr.
Canada (D.B.S.):			
Retail C.P.I.* (June)	125.9	125.6	125.1
W'sale (May)	231.2	231.2	238.3
C. F'm Pr.* (May)	218.8	212.7	239.8
U. S. W'sale (Mar.)	119.6	119.5	119.7
Gt. Br. W'sales (Mar.)	111.8	111.7	111.0

Base of price quotations is as follows: Cattle-Steers, good up to 1,000 lb., to price Toronto. Copper-electrotypes, New York. Coffee No. 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f.

*Base years 1947-49=100.
ΔBase years 1924-26=100.
♦Base year 1954=100.

Municipal Bonds

July 7, 1959

Calgary	3½	'89	82	84	5.60
Edmonton	3½	'89	82	84	5.60
Halifax	3½	'86	85½	87¾	5.63
Hamilton	3	'67	82	84	5.50
Metro. Tor.	5	'77	91	93	5.60
Metro. Tor.	4¾	'78	88¼	90¼	5.60
Montreal	5¼	'78	92¼	94¼	5.75
Moose Jaw	3½	'60	95	97	5.60
Ottawa	3½	'65	82½	84½	5.45
Regina	3	'54	86	88	5.85
Saint John	3½	'65	87	89	5.70
Toronto	3	'68	80½	82½	5.50
Vancouver	3¾	'69	83½	85¼	5.70
Victoria	3¾	'63	84½	86½	5.70
Windsor	3½	'75	76	78½	5.50
Winnipeg	3	'89	79	81	5.50

Bond Tenders

12 noon, July 9, 1959, Govt. of Canada Treasury Bills—Payable Oct. 9, 1959 and Jan. 8, 1960, $125,000,000. Dated July 10, 1959.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 9	Milling 5	Oils 5	Textiles and clothing 7	Food and allied prod. 13	Beverages 10	Bldg. mater 15	Total Industrials 73	Banks 7	Total utilities 13	Total co's 93
*1935 to date:												
High	947.5	1238.1	252.0	285.5	410.5	304.8	688.3	562.4	315.9	382.5	219.8	297.8
Low	68.5	51.6	39.7	40.9	77.7	72.4	79.3	68.7	56.1	62.4	64.5	60.6
1959 Monthly Figures:												
Jan.	690.9	1077.3	198.5	214.7	194.9	286.4	666.7	518.6	275.4	327.6	198.9	266.0
Feb.	674.4	1131.8	200.6	215.4	205.0	302.6	668.4	536.3	279.1	335.8	202.0	269.8
Mar.	682.7	1139.8	199.2	209.6	213.9	301.8	686.0	544.7	278.3	345.9	202.6	270.2
Apr.	666.2	1117.4	198.4	204.8	215.9	299.6	662.1	539.8	271.7	357.1	201.3	265.8
May	686.8	1109.8	211.0	200.0	218.4	292.0	670.6	536.6	271.5	370.4	204.3	267.2
1959 Weekly Figures:												
June 4	755.8	1100.0	229.9	193.0	222.0	282.9	670.2	536.6	273.3	382.5	204.4	269.5
June 11	772.8	1106.0	230.1	190.9	216.1	283.3	668.3	538.0	275.1	378.0	202.9	270.2
June 18	768.1	1120.1	229.8	188.8	219.6	276.9	678.9	537.4	273.8	378.6	200.7	268.9
June 25	809.1	1183.2	234.5	186.9	221.5	272.7	673.4	536.5	275.2	376.7	198.2	269.4
July 2	814.3	1158.4	235.8	192.2	225.6	272.2	676.1	562.4	280.9	376.8	200.5	274.1

*High and low for year from 1935 to date inclusive are based on weekly figures used by the Dominion Bureau of Statistics.

TORONTO STOCK EXCHANGE INDEX

	20 Indust.	20 Golds	15 B.M.	15 W.O.
July 6	345.96	92.37	175.53	121.54
July 3	345.94	92.48	174.10	122.45
July 2	343.40	92.40	172.58	121.81
July 1	....	....	....	....
June 30	337.13	91.77	168.83	120.39
Month Ago	328.19	92.94	173.95	122.95
Year Ago	453.35	83.00	158.23	136.61
1959 High	346.94	95.13	192.16	134.41
1959 Low	314.90	88.78	167.79	116.77

MONTREAL STOCK EXCHANGE INDEX

	10 Util.	20 Indust.	30 Com.	10 Ppts.	15 Golds
July 6	152.8	325.6	268.0	468.9	87.21
July 3	151.9	326.6	267.7	470.7	87.21
July 2	151.7	323.4	266.2	470.7	87.21
July 1	....	....	....	....	....
June 30	152.8	317.8	262.8	469.1	86.78
Mon. Ago	137.1	311.9	260.3	437.7	88.01
Year Ago	141.0	367.0	325.0	375.2	73.40
1959 High	162.1	325.6	268.0	494.8	92.77
1959 Low	148.9	297.6	248.0	433.0	85.81

DOW-JONES CLOSING STOCK AVERAGES

	30 Indust.	20 Rails	15 Util.	65 Stocks
July 6	660.09	169.12	88.74	220.34
July 3	....	....	....	....
July 2	654.76	168.92	88.10	218.92
July 1	650.88	168.40	87.71	217.82
June 30	643.60	167.62	87.30	215.95
Month Ago	621.62	161.06	87.06	209.70
Year Ago	481.85	119.53	79.70	166.13
1959 High	660.09	169.87	94.70	220.34
1959 Low	574.46	137.94	85.71	200.09

Government Bonds

July 7, 1959 (Supplied by Investment Dealers' Assoc. of Canada)

% Due	Bid	Asked
Govt. of Canada Bonds:		
3 Perpetual	71¼	73¼
2½ June 1967/68	84½	85½
3¼ Jan. 1975/78	83¼	84¼
3¼ June 1974/76	80¼	81¼
3¼ Mar. 1966/68	79¼	81¼
2½ July 1959	99¾	100
3 Oct. 1959	99¼	99½
3 Dec. 1960	96¼	96½
3 May 1961	95¼	95½
3¼ May 1970	87	88
3¼ Oct. 1979	78½	79½
2½ Apr. 1960	93¼	93½
3 Dec. 1961	94¼	94½
3¼ Sept. 1965	91¼	92¼
4¼ Sept. 1972	90½	91¼
4¼ Sept. 1983	89½	90¼
3 Dec. 1989	99¼	99½
4 Jan. 1963	96¼	97¼
Can. Nat. Railways:		
3 Jan. 1961/68	86¼	88¼
2¾ Sept. 1964/69	82	84
2½ Feb. 1961/63	90¼	92¼
2½ Jan. 1964/67	83¼	85¾
3¼ Feb. 1972/74	83½	85½
4 Feb. 1981	82½	84½
Int. Bank of Reconstruct. & Development		
3½ Apr. 1965	88¼	90¼
3¼ June 1969	87¼	89¼
C'wealth of Australia:		
4 Nov. 1970	88	90
Prov. Govt. Bonds		
Alberta Tel. Gtd.:		
4½ July 1976/78	86	87½
British Columbia:		
3 June 1964	88	90
Pac. Gt. East. Rly. Gtd.:		
4½ Dec. 1987	86¼	88¼
Man. Hydro:		
5 July 1975/77	93	95
Manitoba:		
3 Oct. 1965	86	88
Nova Scotia:		
4½ Dec. 1975/77	91½	93½
5 June 1975/77	92½	94½
New Brunswick:		
4½ Oct. 1968/71	88	90
5 Oct. 1974/77	92½	94½
Ontario:		
4½ Dec. 1962/63	95½	97
4 Jan. 1966/68	89	91
4½ Dec. 1974/76	88½	90½
Ont. Hydro:		
4½ Nov. 1964/67	91	92½
4 Apr. 1966/68	88½	90½
3¾ Nov. 1967/69	80½	82½
4½ Oct. 1972/74	89	91
4½ Aug. 1972/75	91	93
5 Apr. 1974/77	94	95½
3½ Oct. 1974/79	78	80
Quebec:		
4½ Jan. 1974/77	91½	93½
Quebec Hydro Commission:		
5 Nov. 1980/82	92	94
Saskatchewan:		
4½ Nov. 1974/76	88	90
3½ Oct. 1962/65	90	92
Newfoundland:		
4½ July 1962/64	93½	95½
5¼ Feb. 1977/79	92	94

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
July 6	454,300	2,287,000	25,072	50,300	4,920,000
July 3	367,800	1,812,000	39,490	40,788	Holiday
July 2	493,000	3,483,000	22,095	68,783	4,780,000
July 1	Holiday	Holiday	Holiday	Holiday	4,240,000
June 30	417,000	1,946,000	36,148	77,080	4,300,000

Advances and Declines

Week Ended	Toronto Ups	Toronto Downs	Toronto No Change	Montreal Ups	Montreal Downs	Montreal No Change
May 29	275	400	119	213	175	119
June 5	330	406	178	129	148	132
June 12	281	484	184	114	157	108
June 19	217	523	192	93	188	116
June 26	279	471	175	98	181	137
July 3	421	242	174	145	112	111

Unlisted Industrials

(Compiled by McDonnell, Adams & Co. Ltd., Toronto.)

July 6, 1959

	Bid	Ask
Anglo Can. Tel. A	34.50	35.50
British Nfld.	4.00	4.50
Brinton Pete Carpet	38.00	....
British Mortgage & Trust	242.00	....
British America Assurance	108.00	112.00
Can. Admiral Corp.	15.00	....
Can. Canners B	10.75	....
Can. Corp. Management	6.75	7.50
Can. & Foreign Securities	19.00	....
Can. General Insurance	....	625.00
Cawthra Apts.	52.00	....
Cent. Can. Inv's.	13.00	....
Commercial Finance	54.50	....
Commercial Life 20% pd.	32.50	....
Concourse Bldg. V. T.	135.00	200.00
Copp Clark 6% pfd.	92.00	95.00
Crown Life Insurance	170.00	174.00
Debent. & Secs. 5% pfd.	65.00	....
Dom. Can. Gen. Insurance	71.00	75.00
Dominion Life Assce.	160.00	200.00
Dom. Linseed Oil units	3.00	4.00
Dover Industries	9.00	9.50
Do. 6% pfd.	9.50	10.25
Eastern Trust Co.	28.00	29.50
Essex Packers com.	2.00	....
Do. pfd.	30.00	....
Excelsior Life	160.00	....
Goderich Elevator	24.25	....
Granite Club	14.00	14.75
Gt. Brit. & Can. Inv. com.	22.00	24.00
Do. pfd.	92.00	96.00
Great-West Life	341.00	350.00
Guar. N. Amer. fully paid	330.00	360.00
Do. 20% paid	91.00	....
Halifax Insurance	19.25	19.75
Halton & Peel Trust	13.25	....
Hart Battery (1957), units	3.00	4.00
Hees George $6.00 pfd	41.00	....
Industrial Life	80.00	....
Industrial Mtge. & Trust	87.00	....
Ingersoll Machine 4% pfd.	80.00	....
Ingersoll Machine & Tl. B	5.25	5.75
Jenkins Bros.	63.00	70.00
Lambton Loan	130.00	....
London Can. Inv. $3 pfd.	45.00	....
Do. A	41.00	....
London Life Insurance	199.00	206.00
Lord Simcoe Hotel A	1.25	1.50
McCarthy Milling A	3.00	....
*Manufacturers Life	253.00	257.00
†Do.	243.00	....
Maritime Life	120.00	....
Maxwell 5% pfd	78.00	82.00
Meadowvale Development	3.75	4.10
Monarch Life	70.00	73.00
Mindustrial Corp.	1.35	....
Mutual Finance Corp. pfd.	.75	....
National Life 100% paid	525.00	550.00
Park Lawn Cemetery	2.00	2.35
Pembroke Electric Light	60.00	....
Phillips Electrical	7.25	8.00
Prairie Royalty Trusts	1.50	....
Prudential Trust	21.00	....
Scott Misener Steamships	14.00	14.75
S.K.D. Mfg. 6% pfd.	6.75	....
Sovereign Life 25% paid	212.00	222.00
Standard Fuel pfd.	35.00	....
Teleflex Ltd.	33.25	36.25
Tor. & London. Invests.	2.50	2.90
Toronto Medical Arts Bldg.	71.00	74.00
Trans-Canada Freezers	5.75	8.25
Do. warr's	.70	....
Transportation Bldg. Mtl.	9.00	....
Triarch Corp.	112.00	115.00
Universal Cooler 5% pfd.	53.00	....
Do. B pfd.	2.25	....
Waterloo Mfg.	9.00	10.50
Waterloo Trust	44.00	46.00
Westcoast Transmission	16.00	16.50
Western Assurance	32.00	36.00

*Pledged for sale to company.
†Unpledged free shares.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

July 7, 1959

Public Utility Issues:	%	Int. Rate Due	Bid	Ask.	Prev. Week Bid
Alg. Cen. H.B.R.	5½	'79	96½	100	97
Bell Phone	5	'72	95	97	94
Bowater Pr.	3½	'96	79	82	79
Brazilian Traction L. & P.	4½	'70	79	83	79
B. C. Electric	5½	'88	90	93	91
Do.	5½	'77	97	100	97
B. C. Tele.	5	'82	92	95	92
Calgary Pwr.	3½	'72	81	....	81
Consumers' Gas	5	'78	91	94	92
Gatineau Pr. D	3½	'70	82	85	82
Gt. Lakes Pr. ex wts.	5½	'77	97	100	97
Maclaren-Quebec Power	3	'69	83	86	84
Mex. Lt. & Pr.	5	'75	80	83	81
Nat. Lt. & Pwr.	4½	'81	96	99	96
North Que. Pr.	4½	'87	89	....	89
Power Corp.	5½	'77	96	99	96
Que. Nat. Gas	5½	'85	88	91	88
St. Maur. Pwr.	3½	'70	82	84	82
Shaw. W. & Pr.	4½	'76	89	94	91
Trans Can. PL 5.85	5	'87	92	94	92
W'coast T. Deb.	5½	'88	79	81	80
Industrial Issues:					
Abitibi Pr. P.	6½	'77	103	105	102
Do.	4	'74	87	91	89
Acadia-Atlantic Sugar	4	'74	81	....	81
Alum. Co. of C.	4½	'73	90	93	90
Bathurst P. & P.	5½	'73	93	96	93
Bicroft-Uran.	5	'62	96	98	95
Can. Bread	4½	'67	89	92	89
Can. Cement	5½	'76	93	97	97
Can. Steamship	4	'66	90	93	90
Cdn. Brew.	4½	'81	84	87	84
Can. Canners	3½	'70	83½	86	84
Can. Celanese	3	'62	90	....	90
Can. Chemical	5½	'71	93	97	93
Can. Industries (1954) Ltd.	3½	'74	83	86	83
Cdn. Dyno	6	'63	80	83	81
Cdn. Oil	4	'76	80	84	81
CPR	3½	'72	80	83	81
Can-Met	5½	'63	55	60	55
Cockshutt F. E.	4½	'65	90	94	90
Cons. Denison	5	'62	96	98	96
Dom. Fdrs. & S.	4½	'69	91	....	91
Dom. Stores	5½	'76	97	100	97
Dryden Paper	4½	'74	89	93	88
T. Eaton Accept.	4½	'74	89	93	89
T. Eaton Realty	5½	'76	94	97	93
E. B. Eddy	4	'74	82	84	81
Elk Falls Co.	5	'70	91	93	90
Gen. Mot. Acc.	4½	'69	92	95	92
Gt. Lakes Pap.	5	'76	90	....	90
Gunnar Mines	5	'60	99	102	99
Hud. Bay O&G	4	'73	83	86	83
Husky Oil	5	'69	87	90	87
Imp. Tobacco	3	'70	82	85	82
Imp. Oil	3	'69	83	86	83
Indust. Accept.	6	'77	100	103	99
Loblaw Groc.	6	'77	99	103	99
Lorado Uranium	6	'62	49	52	49
Maple L.M.	3½	'63	92	....	92
Massey-Ferg.	4½	'76	88	91	88
North Cdn. Oil	5	'75	75	80	75
Northspan	3½	'63	80	....	77
Ont. Jockey Cl.	5½	'73	88	90	88
Phillips Elect.	3	'67	90	93	90
Price Bros.	3½	'66	87	90	87
Pronto Uran.	5	'60	99	102	99
Regent Refin.	4½	'75	84	88	84
Rio Tinto	5	'83	91	94	91
St. Law. Corp.	5	'72	90	94	90
Sal.-Shirriff-H.	5	'77	98	101	98
Simpsons Ltd.	4½	'73	93	96	93
Simpsons-Sears	4½	'79	89	92	89
Steel of Can.	3½	'67	84	87	84
Traders Fin.	4½	'71	88	90	88
Union Accept.	5½	'68	93	....	93
United Gr. Gr.	3½	'70	83	86	83
Weston, Geo.	4½	'71	89	92	92

CONVERTIBLE ISSUES

Abitibi Pr. & P.	4½	'68	96	99	96
Atlas Steels	5	'67	109	....	107
Braz. Trac. L&P	4½	'71	73	77	73
CPR	3½	'94	88	90	88
Do.	4	'89	89	91	89
Cdn. Petrofina	4	'72	96	99	96
Cockshutt F. E.	5	'68	90	93	92
Home Oils	5½	'71	104	109	105
Shaw W. & P.	5½	'72	110	....	108
Westcoast T.	5½	'88	94	96	96
Loblaw Groc.	4½	'78	140	145	142
Phillips Elect.	5½	'70	94	....	93
Silverwood D.	5½	'72	103	107	103
Triad Oils	4½	'71	84	87	84

Options on Stock

Supplied by Kippen & Co. Inc., Montreal

90-day Call Offerings per 100 shares

	$		$
Abitibi	320	Gen. Stlwares	175
Aluminium	285	Giant Yellkfe	75
Argus Corp.	330	Granduc	29
Atl. Coast Cop.	40	Grt Northn Gas	60
Atlas Steel	240	Grt. Plains	150
Bailey Selbrn. A	90	George H. Hees	95
Beatty Bros.	90	Hoyle	65
B.A. Oil	325	Hudson Bay	420
Campbell Chib.	90	Inglis	70
Cdn. Collieries	75	Interp. Steel	100
Cdn. Delhi	60	Irish Copper	40
Can. Crushed Stone	175	Jefferson Lk	100
Cdn. Exp. Gas	35	Kelly Doug. A	100
Cdn. Curt. Wrgt	50	Kelly Doug. wr.	60
Cockshutt Farm	170	Kilembe Cop.	50
Cns. Denison	150	Loeb	110
Copper Rand	29	Maritime Mng	25
Dome Mines	160	Mattagami	80
Dom. Dairies	140	Northn Ont. Nat. Gas	130
Dom. Electrhme	145	Opemiska	105
Dom. Foundries & Steel	420	Pacific Pete	150
Dynamic Pete	30	Place Oil & Gas	30
East Sullivan	30	Provo Gas	35
Elder Mines	35	Quebec Lithium	30
Falconbridge	250	Que. Nat. Gas	100
Fargo Oil	70	Steinberg's	220
Frobisher	25	Trans-Can. Pipe	280
Gaspe	260	Trans-Mount P.	100
Geco	130	United Oils	25
Gen. Develop.	220	Westcoast	170

HOUSING UNITS

Central Mortgage & Housing Corp. has awarded a $115,154 contract to **G. Barker Construction Ltd.**, Weston, Ont., for construction of 14 housing units in the federal-provincial project at Goderich, Ont. Work is scheduled to be completed in October of this year. CMHC also made a loan of $288,075 to **Weyburn Town & Country Housing Corp.**, for construction of a 32-unit low rental housing project, including a 32-bed hostel for elderly people in Weyburn, Sask.

Company Reports

Refrigeration

UNIVERSAL COOLER CO., Brantford, Ont., net profit of $39,643 for 1958 was 28.3% lower than 1957's $53,775.

Results of **Universal Refrigeration Ltd.** are consolidated with parent company's statements.

An amended tax assessment for 1956 had to be charged against 1958 earnings, President L. G. McKee reports.

Company's new management (which assumed control Nov. 12, 1958) reports completion of leasing contract with customers lost to cabinet leasing competitors in 1956.

License agreement with **Lec Refrigeration Co.** of England made through Universal Refrigeration, will allow parent company to make motor compressors used in freezers and other cooler products.

It will provide a $5 million market in the supply of motor compressors for Canadian independent domestic refrigerator manufacturers, the president says.

Fixed overhead for the coming year has been reduced by some $60,000, Mr. McKee states.

Company passed its January and April quarterly dividend on Class A and B preference shares in accordance with its new policy of not paying dividends unless earned during the year.

Outlook for 1959 is "very encouraging," and if present business cycle continues, prospect for renewing accumulative Class A and B preference dividends is bright, the president says.

INCOME ACCOUNT

Years Ended Dec. 31:	1958	1957
Net earnings	$143,590	$160,864
Less: Deprec.	50,640	43,426
Bond int.	12,843	14,138
Amort. bd. disc.	4,125	4,125
Inc. taxes	36,539	45,400
Net profit	39,643	53,775
Less: Pref. divds.	36,750	49,000
Surplus for year	2,893	4,775
Times Bond Interest Earned:		
Before depr.	11.36	11.38
After depr.	7.35	8.31
Earnings per Share and Dividend Record:		
Class A pref.	$9.91	$13.44
Paid	*4.50	6.00
Class B pref.	0.31

Coffee Drinking Hits New High

Canadians drank the equivalent of 8.05 lb. of green coffee per person in 1958, a new record of consumption.

Per capita use the previous year was 7.88 lb. and in 1956, 7.68 lb.

Imports of green coffee were 7% higher than 1957 at a total of 894,669 bags of 132 lb. each, according to the annual coffee statistics of the Pan-American Coffee Bureau.

Besides imports of green coffee, there were other imports of regular and instant coffee. The Bureau estimates total Canadian consumption at equivalent of 137.1 million lb. of green coffee in 1958.

Soluble coffee is more popular in Canada than in any other country, accounting for 30% of our total consumption, the Bureau says.

Declining coffee prices are reflected in total import values of recent years. Value last year was $55.2 million, compared with $59 million in 1957 and $62.6 million in 1956.

DIVIDEND NOTICES

Hudson Bay Mining and Smelting Co., Limited

DIVIDEND NO. 79

A Dividend of seventy-five cents ($.75) (Canadian) per share has been declared on the Capital Stock of this Company, payable September 14, 1959, to shareholders of record at the close of business on August 14, 1959.

J. F. McCARTHY, *Treasurer*

MCINTYRE PORCUPINE MINES LIMITED

DIVIDEND NO. 183

Notice is hereby given that a dividend of fifty cents (50c) per share in Canadian currency will be paid on September 1st, 1959, to shareholders of record at the close of business August 4th, 1959.

By Order of the Board.

F. T. McKINNEY, Secretary.

Dated at Toronto, June 29th, 1959.

A. J. FREIMAN LIMITED

Notice is hereby given that the quarterly dividend of 1¼% upon the outstanding Preference Shares of the Company and twenty-five cents (25c) per share on the Common Shares has been declared.

These dividends are payable on and after the first day of August, 1959 to holders of record at the close of business on the 28th day of July, 1959.

DATED at Ottawa this 3rd day of July, 1959.

GEORGE A. WOOSTER, Assistant Secretary.

INVESTORS MUTUAL OF CANADA LTD.

DIVIDEND NO. 37

Notice is hereby given that a dividend of 8 cents per share has been declared on the outstanding Capital Stock of the Company payable on August 12th, 1959, to shareholders of record at the close of business on July 31st, 1959.

E. G. O. HOWARD, Secretary.

Winnipeg, June 26th, 1959.

FEDERAL GRAIN LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of thirty-five cents (35c) per share on the Class "A" and Class "B" Common Shares of the Company has been declared, payable August 1, 1959, to shareholders of record at the close of business on July 17, 1959.

By Order of the Board.

A. R. STRACHAN, Secretary.

Winnipeg, Manitoba, June 30, 1959.

FEDERAL GRAIN LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of thirty-five cents (35c) per share on the $1.40 Cumulative Redeemable Preference Shares of the Company has been declared, payable on August 1, 1959, to shareholders of record at the close of business on July 17, 1959.

By Order of the Board.

A. R. STRACHAN, Secretary.

Winnipeg, Manitoba, June 30, 1959.

DIVIDEND NOTICES

CANADIAN BREWERIES LIMITED

NOTICE OF DIVIDENDS

Notice is hereby given that the board of directors has declared the following dividends payable October 1, 1959, to shareholders of record at the close of business on August 31, 1959.

1. A quarterly dividend of 31¼ cents per share on the outstanding $1.25 Cumulative Convertible Preference Shares with a par value of $25.00 each in the capital of the Company.
2. A quarterly dividend of 37½ cents per share on the outstanding common shares without par value in the capital of the Company.

By Order of the Board.

W. E. DREWRY, Secretary.

July 6, 1959.

PEOPLES CREDIT JEWELLERS LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of fifteen cents per share has been declared on the common shares of the company to be payable on Saturday, August 15th, 1959, to shareholders of record at the close of business on Friday, July 31st, 1959.

By Order of the Board.

C. L. GUEST, Secretary-Treasurer.

DATED at Toronto this 2nd day of July, 1959.

EDMONTON CONCRETE BLOCK CO. LTD.

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that the semi-annual dividend of eight cents ($.08) per share together with an extra dividend of four cents ($.04) per share has been declared on the outstanding common shares of the Company payable on July 31, 1959 to shareholders of record at the close of business on July 15, 1959.

By Order of the Board.

P. L. P. MACDONNELL, Secretary.

THE SHERWIN-WILLIAMS COMPANY of Canada, Limited

Notice is hereby given that a quarterly dividend of Forty-Five Cents (45¢) per share, for the quarter ending May 31st, 1959, has been declared on the Common Stock, without nominal or par value, of the Company, payable August 1st, 1959, to shareholders of record the 10th day of July, 1959.

By Order of the Board.

P. W. HOLLINGSWORTH
Vice-President and Secretary-Treasurer

Montreal, Quebec.
June 19th, 1959.

LOBLAW COMPANIES LIMITED

Notice is hereby given that a dividend for quarter ending August 31, 1959, has been declared on the capital stock of the Company as follows:

Preferred Shares ..... 60 cents
Cumulative Redeemable per share
Class "A" Shares ..... 10 cents per share
Class "B" Shares ..... 10 cents per share

The dividend will be payable September 1, 1959, to shareholders of record at close of business on the 5th day of August, 1959. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.

R. G. MEECH, Secretary.

Toronto, July 2, 1959.

LOBLAW GROCETERIAS CO. LIMITED

Notice is hereby given that a dividend for quarter ending August 31, 1959, has been declared on the Capital stock of the Company as follows:

First Preference Shares, Cumulative Redeemable, Series "A"	37½ cents per share
Second Preference Shares	54 cents per share
Common Shares	54 cents per share

The dividend will be payable September 1, 1959, to shareholders of record at close of business on the 5th day of August 1959. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.

R. G. MEECH, Secretary.

Toronto, July 2, 1959.

Silverwood Dairies, Limited

Class "A" Dividend No. 53

Notice is hereby given that the regular quarterly dividend of Fifteen cents (15c) per share has been declared on the outstanding Class "A" shares of the Company, payable October 1st, 1959, to shareholders of record as at the close of business on August 28th, 1959.

Class "B" Dividend No. 48

Notice is also given that the regular quarterly dividend of Fifteen Cents (15c) per share has been declared on the outstanding Class "B" shares of the Company, payable October 1st, 1959, to shareholders of record August 28th, 1959.

BY ORDER OF THE BOARD,

L. R. GRAY, Secretary.

London, Ontario.
July 2nd, 1959.

dupuis

DUPUIS FRÈRES LIMITED

DIVIDEND NOTICE

CUMULATIVE REDEEMABLE PREFERRED SHARES OF THE PAR VALUE OF $25.00 EACH

A dividend of $0.30 per share has been declared on the Cumulative Redeemable Preferred Shares of the par value of $25.00 each of Dupuis Frères, Limitée and will be payable on August 15th, 1959, to Shareholders of record July 31st, 1959.

CLASS "A" SHARES WITHOUT NOMINAL OR PAR VALUE

A dividend of $0.14 per share has been declared on the Class "A" Shares without nominal or par value of Dupuis Frères, Limitée and will be payable on August 15th, 1959 to Shareholders of record July 31st, 1959. For payment of the foregoing dividend, holders of Bearer Share Warrants should present coupon No. "17" attached to their said warrants on or after August 15th, 1959, at any branch in Canada of The Royal Bank of Canada, The Provincial Bank of Canada or the National Canadian Bank.

On behalf of the Board,

JEAN MARC LALONDE, Treasurer.

July 2nd, 1959.

THE CHASE MANHATTAN BANK

CHARTERED 1799

DIVIDEND NOTICE

The Chase Manhattan Bank has declared a dividend of 60c per share on the 13,167,000 shares of the capital stock of the Bank, payable August 14, 1959 to holders of record at the close of business July 15, 1959.

The transfer books will not be closed in connection with the payment of this dividend.

MORTIMER J. PALMER
Vice President and Secretary

Market Bid and Ask Quotations

Montreal & Toronto

July 7, 1959

	Bid	Ask
Abacus	46	47
Abitibi	30½	29
Do p	23½	24
Ac-Atl	10½	11
Do A	20	20
Do p	85	92
xAc Ur	10	10½
xAcme	17	19
Admi	24½	24½
xAdvoc	280	285
Ag-S	18	18½
xAgnico	68	70
xAjax	79	80
xAkaitc	44	45
xAlba	9	10
xAlta D	275	280
Do vt	245	250
Do w	120	130
Alt Gas	25	25½
A P Con	42	43
Alg	15½	15½
Alg C	20	20½
Do p	65	66
Do wts	820	845
Alg Bld	8	9½
Do p	19½	20
Algma	41½	41½
xAll R	36	43
xAlmin	370	375
Alumi	35½	36
Alu 1 p	21	21½
Do 2 p	45½	45½
xA-Lar	28	33
xA Rare	10½	11
xAm L	15	15½
xA Nep	64	65
xAnac	74	75
Anglo	10	10½
Do w	440	550
xAnch	15	17
Ang Am	800	875
Anglo-Cdn Tel	40½	
A Pip p	52	52½
Ang Hu	12½	12½
xAng R	24½	25
xAnsl	33	34
Anthes	42½	43
Do B p	97½	97½
xArcad	18	19
Do w	4	5
Arcan	7½	7½
xAres	100	103
Argus	38½	38½
Do 240 p	85	86
Do 250 p	47	47½
xArjon	12½	13
xAsama	130	135
Ash A	11½	12
Do B	14	14½
xAsh T	6¾	7
Do A	92	..
Do B	91	91
Atl A	7½	7½
Do p	15	18½
Atlas	27½	27½
xAt Yk	9	10½
xAt-Rut	13	14
xAubel	5½	6
xAumac	13½	14
xAumaq	11½	12
xAunor	310	315
Aut El	27	28½
Aut F A	7½	9½
Do B	365	370
xAvilia	5½	6
xBly SA	755	780
Do p	19½	20½
Do 5% p	19½	20
xBanff	132	140
xBnkno	17	..
xBnkfld	9	9½
Bk Mtl	60½	60½
Do rts	355	360
By NS	77½	78
Banque Canne	57	57½
Barb-E	55	..
Do p	53½	..
xBrclna	375	485
xBarnat	165	172
xBarW	53	65
xBasco	75	77
xBase M	15½	16
xBaska	22½	23
xBata	7	8
Ba In	5	8
Bath A	45½	47½
Do B	31½	32½
xB-Duq	19½	20
Beatty	9½	9½
xBeav L	19½	20
B Lum	26½	27
Do A	17½	18½
B L pr	..	28
xBelch	102	105
Bell	42½	42½
xBellet	172	178
xBthim	125	129
xBevcn	20	21
xBibis	18	18½
xBicrft	60	64
xBidcop	19	19½
Bilt	7	8½
Do p	13½	14
xBl Bay	12½	15
Bl Rib	13	..
Do p	25	..
xBonvill	5	6
xBordul	64	71
xBoutn	51	53
Bowat	7	7½
Do p	44½	..
Do 5½ p	48	49
Bawmer	47½	48
Bowes	32½	39½
xBoymr	8	8½
xBrirn	695	700
xBraisa	70	75
Brazil	54	54½
Do p	..	94½
Br T	20½	21
Do p	47	47½
Bright	47	48
Do p	20½	..
xBritalt	230	235
BA Oil	36½	37
BCE 4 p	77	..
Do 4½ p	39½	40
Do 4½ p	40½	41½
Do 4½ p	89	90
Do 5 p	48	48
Do 5½ p	50	50½
BC Por	15½	16
BC P A	17	17½
Do B	17	17½
BC Pow	37½	37½
BC Phone	42½	43½
Brooke p	17½	17½
xBrlDef	97	98
Brown	13	13½
Bruck A	11	13½
Do B	450	470
xBrnhrst	5	5½
xBrnsmn	6	7
xBrunsk	275	295
xBufad	13	14
xBuf A	171	184
xBuf RL	7	8
Bld Prd	32½	33½
Bull A	6½	6½
Do B	5½	..
xBunk H	7	7½
Burinton	19½	20
Burns	12½	13
Burr A	..	7
xCable	14½	17
xCdmet	24½	25
xCahalt	70	72
Calid 1 p	21	26
Cal Ed	25	26
Cal Pow	92½	93½
Do 5 p	102	102½
xCalv C	375	380
xCalvert	55	58
xC Chib	715	725
C Can L	11	11½
C Fnd A	37½	..
C Fnd B	37½	38½
Cl Fnd	32½	33
Do 4½	95	96
C Life	216½	..
C Mach	10	15
C Malt	67½	68
Do p	23½	23½
xC O Lds	146	150
Do w	55	68
C P A	58½	58½
Do B	52	53½
C Perm	66½	67
C Sat 4 p	90½	91
xCSO w	73	75
xCS Pet	420	450
CSL	48½	50½
Do p	12½	12½
Do p	12½	12½
C Wre A	11½	..
Do B	14	14
xC Ast	8½	10
C Baks	635	700
C Bnk C	63	63½
C Br	38½	39
Do p	38½	41
CB Al	16	16½
xCB A w	790	800
Do B w	675	..
C Can A	15½	16
C Cel	23	23½
Do $1	17½	20
Do $1.75	31	31½
C Chem	13	13½
xC Chief	120	125
C Coll	7½	7½
Do p	78	84
C C'vertrs	425	500
Do B	425	..
xC Curt	300	305
xC Dev	480	485
C Drn S	13½	13½
Do p	12	13
C Drdg	30½	31½
xC Dyno	36	39
C Eagle	..	11½
Do B	..	11½
xC E Gas	218	225
C Fbks	32½	34
C F p	108	..
xCF Pr	375	450
Do A	84	84
Do p	83	87
CGE	74½	1180
CG S A	16½	17
Do B	17½	18
x CHigh	33	35
xC Home	118	130
C Haky	10½	10½
Do w	585	595
C Hyd C	12½	12½
C I M A	11½	11½
CIL	16½	17
Do p	75½	78
C Intl Pwr	18	19
Do p	45½	46
C Loco	10	10
xC Mal	45	48
xC N In	17	18
xC NW	47	48
C Oil	29½	29½
Do p	148	153
Do 4	83	..
Do 5	..	100½
CPR	29	29½
C Pet p	13½	13½
C Salt	39	44
xC Thor	6½	7
C Tire	185	190
C Ut p	..	92½
Do 4½	77	79
C Vick	18½	19½
C Wal A	29	31
Do B	28½	29
GWN p	15	15
Do p	85	85
xCanad	20	20
xCanadn WO	190	195
C West	49½	50
xC Will	105	150
xCandor	15	16
xCanEr	145	148
xC Met	46	47
Do w	16	17½
xCapt	9	10
xCarib	130	132
xCass	10½	11
xCastle	515	550
xCayzr	80	115
xC Del	750	780
xC Pat	128	134
xC Porc	13	14½
xChar O	135	140
Chart Tr	62	65
C-Gal	23	24
xChesk	5	5½
xChest	37	40
xChib J	50	52
xChib-K	21½	23
xChi M	90	99
xChim	57	60
xChrm	295	300
Chrys	..	70
xC Bar	110	300
Do A	350	400
xCoch W	380	390
Co-D	23½	24½
Do A	14½	16
Cahutt	15	15½
xCody-R	12	14
Coghlin Co	8½	9½
xCoin L	14½	15½
xClstm	35	37
Coll	18	..
Do p	15½	..
xColom	64	7
Com F	13½	13½
xCo Met	30	33
xCmoli	150	250
xCom P	275	325
Conduit	12½	13
Conf L	135	142
Con O	16½	..
xConia	51	52
xCniaur	36	39
xCKey	21	26
Consolidated		
xC All	6½	7
C Bak	9½	10
xC Bell	10	11
xC B G	9½	10
xC Cail	15½	13½
xC C	5½	6
C Den	15	15½
Do w	250	253
xC Disc	383	395
xC Dra	27	29
xC E Cr	40	44
xC Fen	40	43
xC Fire	305	500
xC Gill	8	8½
xCG Ar	26	28
xC Hall	66	69
xC Hwy	370	385
xC Mrbn	31	32
xC Mros	75	85
xC M M	365	375
C M S	20½	20½
xC Mogul	201	203
xC Morr	39½	40
xC Mos	102	105
xC Nor	22	23½
xC Nich	5½	7
xC Nor	25	29
xC Pk	4½	5
xC Pers	14½	15
xC Que	33	39
xC Red P	9	11
xC Reg	18	19
xC San	7½	8
xC Sud	57	59
Cons Text	230	325
xC W	465	480
C Gas	44½	44½
Do A	104	107
Do B	103	104
Consumers Glass	33½	..
Con Cl	44½	44½
xCnwst	395	415
Cop Cl	7½	7½
xCo Cor	26	29
xCop-M	12½	15
xCpmd	186	195
Corb vt	18½	19½
Do B	18½	20½
xCrain	200	235
xCrgmt	380	390
Crain FL	22	22½
xCree w	..	..
$5	196	200
xCrst	9	11
xCrbk	160	170
Do p	21½	22
Do w	30	50
xCrol	10	10½
Cr Tr	31½	31½
Cr Zell	48½	50
Crowsn Zel (Can)	23	24
xCrowp	15½	17
Crow	18	19
xCusco	9	10
xDasc	19	21
Dex p	85	90
xD'Ara	28½	29
xDe C	19	22
xDeer H	16	17
xD'Eld	11½	12
xDelte	56	59
xDenuk	275	295
D Seag	33½	34
Dome	18½	18½
D Pete	955	10
Dominion		
D Ang	330	..
D p	93	..
D Brge	23	23½
D Coal p	5½	6½
D Corset	18	18½
D Dair	12	12½
D p	92½	..
D Elec n	12½	13
Do w	950	975
D Fab	12	..
Do 2 p	30	..
D Fdry	50	50½
Do p	98	99
D Ins	270	310
D Mag	8½	9
D Scot	34½	36½
Do p	45	45
Dosco	20½	20½
D Stra	74½	75½
D Tar	19	19½
Do p	20	20½
D Tex	10½	10½
Do p	128½	..
xDonal	10½	12
Donohue Bros.	15½	15½
Dow	45	47
Dupuis Freres A	7½	8
xDuvan	20	21
xDuvek	8	9
xDynam	153	154
EWood O	225	250
Do A	160	190
xE Am	8½	9½
E Kootenay	7½	10
xE Mal	140	145
xE Sull	182	190
xE Met	10	11
Easy p	16½	20
Econ I	30	40
Eddy	63½	64½
Do A	..	65½
Ed Ma	28½	29½
xElder	160	163
xElcir	33	35
xElectr C	98	..
Electrolux	17½	18½
xEl Sol	10½	11½
Em Life	60	66
Enamel & Heat	9½	9½
Do B	250	..
Eq Life	53	..
Erie A	6	6½
Do B	100	200
xEurka	25	28
xEx All	13	13½
Falcon	29	29½
Fam Pla	22	22½
Fan F	17½	18½
xFrdy	69	71
Do w	6	9
xFargo	480	495
xFwest	12½	13
xFratima	59	60
Fed Fire	30	50
Fed Gr	43½	43½
Do p	28	28
xFibre	3	3
Do p	5½	6½
Fitting	5	6½
Do A	9½	11
xFleet	115	120
Ford US	73½	74
Do A	177	180
Do B	179	185
Found	14½	14½
xFrnc	7½	8
Fraser	31½	32
Frei p	90½	95
Do p	650	700
xFrbahr	227	232
Do db	90	92½
Frue	6½	7
xMayfr	135	140
xMaybru	14	16
McB p	11½	13
McC	23½	26
McInt	90	90½
xMKen	30	31
xMMar	8	9
xMWat	29	30
xMedal	270	275
xMent	14	17
xMerc	44	45
xMerril	125	126
xMeta	9	10
M LP	14½	14½
Do p	13	13½
xMidcon	66	68
Mid P	14½	..
xMidr	70	75
xMidW	160	165
Do w	11	24
xMill C	23	25
xMillik	151	155
xMilt B	230	235
xMinda	7	9
Min Cp	14	14½
xMin Or	13	14
Mitchell & Co	25	..
Mitchell R	10	10½
Do cl B	335	365
M C A	15½	15½
Mols A	28	28½
Do B	27	28
Do p	40½	41½
M Kn	6½	7½
Do p	82	92
M Mort	47½	55
xMoneta	87	92
M Loco	183	194
Mtl Tr	471	484
Moore	38½	38½
Do A	1824	1900
Do B	2736	..
Morgan	32½	34
Do 4½%p	98	97
xMt Wrt	50	52
xNama	17	18
Nat Dr	16	16½
Do p	15½	17
No NG	15½	15½
NQ P	20½	27½
Do 1 p	24½	25
xNor Ply	325	350
Nthld U	11½	18
NW U p	78	77
xNthld	28	29
xNorval	15	18
xNudul	15½	16
xN Beag	135	145
Oak W	15½	16
xObask	10	10½
xOBrien	80	84
O Keefe	7	8
OC Cem	..	16
Off Sp	17½	..
xOka R	12	13
xOkalt	74	80
xOLear	17	19
xOB S	50	..
Do p	8	10
O Loan	29½	30
O Sti	23½	25
Do p	125	135
xOpem	810	830
xOrchan	74	77
Or	71	8
xOrena	9	10
xOrms	34	39
xOsisk	31	33
Pac P	14	14½
Do w	845	895
Pac Her	33½	33½
xPall	33	40
xPmour	68	70
xParam	6½	8
xParbec	5	5½
xPardee	30½	31
xParker	315	330
xPater	30	34
Patno M	435	440
Do w	132	140
Pato	400	415
xPymst	19	20
xPce Exp	16½	18
xPriest	22½	24½
Pbina	9	9½
Do p	43½	46
Pmnns	32½	34
Do p	103	..
PCJ J	29	30
Do p	93	97½
xPmo p	125	129
xPerron	22	23
xPeruv	135	145
xPetrol	172	174
xPhil	97	100
Ph Eng	16	16½
xPck Cr	106	106
xPit-Or	7	7½
xPlace	135	138
Placer	18½	19
xPonder	20	24
Portage	74½	75
Pow R	38½	39½
xP Rou	41	43
Pow Cp	63½	64
xPrairie	260	280
xP Pipe	435	440
Prem T	150	155
xP Iron	5½	6
xPres El	160	165
xPrest	625	650
Price Bro	86	87
xPrnto	275	295
xPros A	67	85
Prov Bk	32½	39½
xProv G	221	235
Provo. Trns	14	15
Do p	42½	43
xPrdex	7½	8
xQ Ascot	48	49
xQ Chib	37	40
xQ Cop	22	23
xQ Lab	5	6
xQ Lith	460	480
xQ Man	14½	19
xQ Met	75	80
xQ Rock	23	25
xQ Sun	96	100
xQ Taku	13½	17
Nia W	14	14
Do B	14	14½
xNick M	58	61
xN Rim	70	75
xNipis	178	180
xNisto	6	6½
xNor-Ac	18	22
Noran	52½	52½
xNogid	7	8
xNorlar	33	34
xNrmet	340	355
xNorpax	15½	16
xNorsyn	10	11½
xNorcal	15	15½
North		
xN Gate	70	72
xNCO	285	299
Do w	122	135
Do p	33	33½
xN Gldt	29	32
xN Rk	122	126
xNthsp	130	134
Do w	68	80
N Star	14½	15
Do A	13½	13½
Do p	43	43
Do w 57	395	420
Northern		
xN Can	140	150
No NG	15½	15½
NQ P	20½	27½
Do 1 p	24½	25
xNor Ply	325	350
Nthld U	11½	18
NW U p	78	77
xNthld	28	29
xNorval	15	18
xNudul	15½	16
xN Beag	135	145
Oak W	15½	16
xObask	10	10½
xOBrien	80	84
O Keefe	7	8
OC Cem	..	16
Off Sp	17½	..
xOka R	12	13
xOkalt	74	80
xOLear	17	19
xOB S	50	..
Do p	8	10
O Loan	29½	30
O Sti	23½	25
Do p	125	135
xOpem	810	830
xOrchan	74	77
Or	71	8
xOrena	9	10
xOrms	34	39
xOsisk	31	33
Pac P	14	14½
Do w	845	895
Pac Her	33½	33½
xPall	33	40
xPmour	68	70
xParam	6½	8
xParbec	5	5½
xPardee	30½	31
xParker	315	330
xPater	30	34
Patno M	435	440
Do w	132	140
Pato	400	415
xPymst	19	20
xPce Exp	16½	18
xPriest	22½	24½
Pbina	9	9½
Do p	43½	46
Pmnns	32½	34
Do p	103	..
PCJ J	29	30
Do p	93	97½
xPmo p	125	129
xPerron	22	23
xPeruv	135	145
xPetrol	172	174
xPhil	97	100
Ph Eng	16	16½
xPck Cr	106	106
xPit-Or	7	7½
xPlace	135	138
Placer	18½	19
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xQ Ascot	48	49
xQ Chib	37	40
xQ Cop	22	23
xQ Lab	5	6
xQ Lith	460	480
xQ Man	14½	19
xQ Met	75	80
xQ Rock	23	25
xQ Sun	96	100
xQ Taku	13½	17
Nia W	14	14
Do B	14	14½
xNick M	58	61
xN Rim	70	75
xNipis	178	180
xNisto	6	6½
xNor-Ac	18	22
Noran	52½	52½
xNogid	7	8
xNorlar	33	34
xNrmet	340	355
xNorpax	15½	16
xNorsyn	10	11½
xNorcal	15	15½
North		
xN Gate	70	72
xNCO	285	299
Do w	122	135
Do p	33	33½
xN Gldt	29	32
xN Rk	122	126
xNthsp	130	134
Do w	68	80
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Do p	43	43
Do w 57	395	420
Northern		
xN Can	140	150
No NG	15½	15½
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Nthld U	11½	18
NW U p	78	77
xNthld	28	29
xNorval	15	18
xNudul	15½	16
xN Beag	135	145
Oak W	15½	16
xObask	10	10½
xOBrien	80	84
O Keefe	7	8
OC Cem	..	16
Off Sp	17½	..
xOka R	12	13
xOkalt	74	80
xOLear	17	19
xOB S	50	..
Do p	8	10
O Loan	29½	30
O Sti	23½	25
Do p	125	135
xOpem	810	830
xOrchan	74	77
Or	71	8
x

THE WEEK'S QUOTATIONS

Quotations here listed are the official, exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 43

Industrial Stocks

WEEK ENDING JULY 3, 1959

Range 1959 High	Low	Div. Y'ld R'teJul 3 $	%	Company	Sales	Last June 27	Week end. July 3 High	Low	Close or Latest
1.00	.40	..	..	Abitca Lumber..	14800	.63	.63	.60	.61
40	34½	1.20	4.4	Abitibi	18250	38½	39½	38¾	38¾
24	23¼	1.12½	4.8	Do. 4½% pref.	2255	23½	23½	23¼	23½
12	10½	.60	5.6	Acadia Atlan. ..	230	10¾	11	10½	10⅝
98	94	5.00	5.6	Do. 5% pref...	5	93	t90	t90	t90
22	19⅝	1.20	6.0	Do. (A)	235	20¼	20¼	20	20
17¾	17¾	..	..	Admiral	nil	..	..	..	17¾
18½	12½	.60	3.4	Agnew Surp.	140	17¾	18	17½	17¾
4.50	2.90	..	..	Alaska Y. Pipe..	nil	..	B2.75	A3.00	2.00
2.00	1.20	..	..	Alaska Refin.	100	1.20	1.20	1.20	1.20
13	10	..	..	Do. pref.	50	10	t9	t9	t9
3.60	2.55	..	..	Albt. Dist.	5725	2.65	2.75	2.65	2.75
2.80	2.00	..	..	Do. V.T.	5150	2.40	2.40	2.30	2.40
1.35	1.05	..	..	Do. S. Pur. W..	4325	1.30	1.40	1.05	1.30
25½	21¾	..	..	Albt. Gas Tr.	6758	25¼	25¾	24¾	25¼
22	19	..	..	Algoma Cent.	172	19	19¼	t18½	19¼
71½	63	3.00	4.8	Do. 6% pref. ..	240	65	64	62	63
10½	7	..	..	Do. Warr.	320	7.55	8.35	7.75	7.75
40¾	35½	1.00	2.5	Algoma Steel	23171	38½	40¾	38¼	40¾
9	7¾	.20	2.4	Algonquin Bldg..	100	9	8¼	8¼	8¼
20	19½	.25	1.4	Do. pref.	nil	..	B19¼	A20	t19
34¼	26½	1.20	..	Aluminium	23802	33½	34½	32¾	34½
22	20½	1.00	4.8	Alum of Can l p	1225	21	21	21	21
46½	42½	2.25	5.0	Do. 2nd pref...	2125	45	45¾	45	45½
12.50	6.00	..	..	Analogue	4016	9.50	10.25	9.37½	10.25
7.00	3.90	..	..	Do. Warr.	400	4.00	5.25	5.25	5.25
7	6	¼a.15	..	Andian Nat.	469	6	6	6	6
25	22½	*.50	..	Anglo. Can. Oils. (Brandon)	125	25	25	25	25
46	37½	2.00	4.8	Ang. Cdn. Pulp..	890	41½	42	41	42
53	50½	2.80	5.5	Do. pref.	5	51	51	51	51
43	40	2.25	5.6	Ang. Can. Tel. p	105	40	40¼	40	40
8½	6¼	.20	2.9	Ang. Nfld.	14780	7⅛	7⅜	6¾	7
..	..	¼.20	..	Angi-Scand. Inv.	nil	..	..	..	..
45	36	1.40	3.2	Anthes Imp.	240	42	42½	41¾	42½
100	96	5.00	5.1	Do. 5½% pref..	nil	..	B96¾	A98	98
8.62½	1.50	..	..	Arcan Corp.	31980	7.50	8.12½	7.12½	7.25
42¼	22	1.00	2.5	Argus	2744	37¾	38½	37½	38
93	69	2.40	2.9	Do. A pref.	450	83½	85	82¼	84
48¾	46	2.50	5.2	Do. B pref.	755	47¼	48	47¼	48
..	..	a1.00+1¤	..	Aro Equip.	nil	..	..	..	..
36½	27	1.20+2.70	..	Asbestos	5721	28	29¾	28½	29¾
8.75	4.85	1.20	..	Ash Temple	nil	..	B6.75	A7.00	6.50
198	192	6.00	6.2	Do. A	nil	..	B92	..	195
9	8¼	.65	7.2	Do. B	nil	..	B9¼	A9¾	9
t12½	t11½	1.00	4.8	Ashdown Hdw. A	nil	..	B13¼	A13½	t12½
18½	12¾	.73	5.0	Do. B	nil	..	B14	A15	14½
..	..	4.00+aa2.00	..	Assoc. T. & T. pf.	nil	..	..	..	101
7	5¾	..	..	Atlan. Accept. ..	100	6¾	7	7	7
16¼	15	1.10	7.1	Do. pref.	nil	..	B15¼	A16½	15½
29¾	24½	1.00	3.8	Atlas Steels	4195	25¼	26¾	25¼	26½
30	18¾	1.00+1.25	..	Auto Electric	305	28	27½	26½	26½
9.00	6.00	4.80	..	Auto Fabric A ..	100	8.00	9.00	9.00	9.00
3.90	2.25	..	..	Do. B	nil	..	B3.60	A3.85	3.75

B

63¾	54	1.80+2.30	..	Bk. Can. Nat. ...	1878	57½	57½	56½	57½
60¼	52¾	1.60+2.30	..	Bk. Montreal	11080	59½	60	58¾	60
3.55	2.80	..	..	Do. rights	43967	3.50	3.50	3.35	3.50
80	65¼	2.20+2.30	..	Bk. N. Scotia	3268	77½	78	76¾	78
39½	33	1.80+2.30	..	Bk. Provincials .	698	38½	39½	38½	38½
..	..	3.20+11.80	..	Barber-Ellis	nil	..	B55	..	..
..	..	3.80	..	Do. pfd.	nil	..	B53½	..	..
4.55	4.30	..	..	Barcelona	nil	..	B2.75	A4.85	13.00
8⅝	6¼	*.30a	..	Bates & Innes A.	nil	..	B8	A8	15¼
47	43	2.00	4.4	Bathurst Pr. A ..	265	46	46¾	45½	45¾
36	28½	*.75	..	Do. B	430	29	31	30	31
12.37½	6.37½	.40+.10	..	Beatty Bros.	500	9.25	9.50	9.12½	9.50
30	25½	1.00+1.25	..	Beaver Lumber .	435	26¼	27¼	26¼	27¼
18½	17¾	1.00	5.6	Do. A	nil	..	B17½	A18½	18
27¾	25½	1.40	5.7	Do. pref.	nil	..	B26½	A27¼	t24½
13½	10½	a¤	..	Belding Cort.	135	12	11½	11½	11½
12¼	11	.70	6.6	Do. pref.	25	12½	12½	11½	12½
8	7	..	..	Belgium Stores ..	r.11	..	B9¾	A15	t10½
t18	t13½	*1.00	6.2	Do. pref.	nil	..	B13	..	16
44½	39¾	2.00	4.7	Bell Telephone .	27789	42½	42¾	42	42¼
8	7¾	.40	6.4	Biltmore Hats ..	nil	..	B7¾	A8½	16¼
14½	12¾	1.00	7.1	Do. A pref.	nil	..	B13¾	A14	16
55	47	2.40+2.40	..	Bird Constr.	nil	..	B50	..	51
11¾	8¾	..	..	Blue Bonnets ..	875	10	10	10	10
t13½	t13	..	..	Blue Ribbon	nil	..	B13	..	t13¼
5	5	.30+12.50	..	Do. pref.	5	55	55	55	55
49½	47	2.75	5.8	Bowater Mer. pf.	750	48	48	47¾	47¾
7.12½	6.00	18%	..	Bowater Pap. ..	13051	6.50	7.12½	6.87½	7.12½
46½	43¾	2.50	5.7	Bowater N.A. 5% p.	505	44¼	45	44	44
50½	47½	2.75	5.7	Do. 5½% pref..	305	48¾	49	48¾	48½
39½	19½	1.00+2.50	..	Bowes Ltd.	nil	..	B32¼	A30½	39½
8¼	8	.60	7.3	Boyles A	75	8½	8¼	8¼	8¼
5¾	4¾	..	..	Do. B	nil	..	B4½	A5¼	4¾
7¾	5¾	*.25a	..	Brazilian Tr.	8446	5¼	5½	5¼	5¾
..	..	6.00	6.7	Do. pref.	nil	..	..	A94½	190
25	20¾	1.20	5.8	Bridge & Tank ..	275	t20½	21	20¾	20¾
48	47	2.90	6.2	Do. pref.	145	47¾	47½	47	47
20	18¾	1.00	5.0	Bright T. G.	570	45	49	45	45
21	20½	1.15	5.8	Do. 5% pfd.	nil	..	B20½	..	21
52	45	1.60+2.70	..	Br. Am. Oil	8075	37	37½	36½	37½
44½	35	1.00	2.7	Brit. Amer. Oil	8075	37	37½	36½	37½
78	75	4.00	5.2	B.C. Elec. 4% pf.	45	77	77½	77	77
41	38	2.12½	5.4	Do. 4¼% pref..	20	39½	39½	39½	39½
43	40	2.25	5.3	Do. 4½% pref..	170	42½	42¾	42½	42½
91	84¾	4.75	5.4	Do. 4¾% pfd. ..	55	88	88	88	88
48¼	45	2.50	5.2	Do. 5% pfd.	1066	47½	48¼	47½	48
52	49½	2.75	5.4	Do. 5½% pfd. ..	250	51	51	50¼	51
18	12¾	*.08a	..	B.C. Forest	8080	14½	16½	14¾	16½
18	14¾	.75	4.2	B.C. Packers A ..	nil	..	B14¾	A17½	17½
18	14¾	1.00	5.6	Do. B	nil	..	B17	A17½	17½
40½	35½	1.40	3.8	B.C. Power	5616	37½	37¾	37	37
47¾	40	2.00	4.7	B.C. Tele.	473	43½	43¾	42	43
1.25	.90	..	..	Brancil-Tr.	3800	1.10	1.10	1.05	1.10
18	17½	..	..	Brooke B. (Can.)	45	17½	17¾	17½	17½
14	11¾	1.15+¤	..	Brown Co.	1254	12¾	12¾	11¾	13¼
14	8¼	..	..	Bruck S. Mills A	300	14	13¼	13	13¼
4.50	2.20	..	..	Do. B	300	4.00	5.00	5.00	5.00
39	23¼	1.80	5.1	Build. Prod.	1095	35¼	35½	33¾	35½
7	5½	.50	8.0	Bulloch's A	nil	..	B6¼	A6¼	6¼
5¾	5	.25	6.1	Do. B	nil	..	B5¾	..	5¾
21¼	16¾	.60+1.25	..	Burlington St'l ..	650	18¼	19½	18¾	19½
14½	12¾	.60+1.10	..	Burns & Co.	1050	12¼	12	12½	12½
8	6¼	.45	6.4	Burrard D.D. A .	375	7	7	7	7
2.75	1.75	..	..	Butterfly Hos. ..	nil	..	B2.00	A2.50	2.25

C

123	121	1.50	7.1	Caldwell L. 1 pf.	nil	..	B21	A36	121
..	..	..	..	Do. 2nd pref. ..	nil	..	..	..	13
100	78½	2.00	2.2	Calgary Pwr.	865	92½	92	91	92
103	99½	5.00	4.9	Do. 5% pref. ..	nil	..	B102	..	102
				Canada					
5.50	4.50	.10	2.2	Canada Bread ..	100	t4.25	4.50	4.50	4.50
56	55	2.50	4.5	Do. pref. B	nil	..	B55	..	55
37	31¼	1.30	3.9	Canada Cement	3642	32¾	33½	32¾	33¼
28½	26	1.00	3.6	Do. pref.	272	27	27½	27	27½
23¼	13¾	1.20	..	Can. Cr. & C. St.	nil	..	B18	A18¼	16½
27½	18	.45	2.7	Can. D. Sugar ..	2307	19¾	19½	18¼	18¼
15½	14½	1.00	6.7	Can. Floor B	nil	..	B14½	A15	15
24½	20	.60+1.20	..	Can. Foils	nil	..	B24½	A24½	24½
25	22½	.60+1.53	..	Do. A	100	23½	23½	23½	23½
12	12	*.37½	..	Can. Forg.	nil	..	B8¾	..	12
30	27	1.50	5.4	Do. A	nil	..	B27¾	..	28
37¾	30½	1.50	4.3	Can. Iron	3515	33½	33	32¼	33
101	91	4.25	4.6	Do. 4¼% pref..	5	96	96	96	96
218	205	4.60	2.1	Can. Life	nil	..	B216¾	..	218
t15	t10	..	..	Can. Machine ...	nil	..	B10	A15	t10
78	67	2.00	2.9	Can. Malting	450	68	68	67	69
28	25	1.12½	4.5	Do. 4½% pfd. ..	20	25	25	25	25
57	51	1.75	3.2	Can. Packers A.	75	54½	55	54	54
55	49	1.75	3.2	Do. B	1525	53½	54	53¾	54
67¾	52	2.00	3.0	Can. Perm. Mtg.	225	67	67	66¾	66½
91	88	4.40	4.9	Can. Safeway p.	125	91	91	90¼	90½
49¼	39½	1.40	2.9	Can. Steamships.	753	47½	49	47½	48½
13	11	.62½	5.1	Do. pref.	158	12	12½	12¼	12¼
36	28	1.00+1.35	..	Can. Vinegars ..	125	34¼	36	34	36
..	..	..	..	Can. W. Cord. A	nil	..	..	..	..
..	..	..	..	Do. B	nil	..	..	..	..
153¾	153¾	4.00	7.4	Can. W. Cable A	nil	..	B111	..	153¾
15½	13¾	1.20	..	Do. B	5100	14	14	13¼	13¾
				Canadian					
135	135	12.00+1¤	..	Canadian Arena ..	nil	..	B160	..	155
8½	6	..	..	Cdn. Bakeries ..	nil	..	B6¼	A7	7
65¼	54	1.60+1.20	..	Cdn. Bk. Com. ..	6570	62	64	61½	63¾
43¾	35	1.80	3.7	Cdn. Breweries ..	7635	39¼	40¼	39¼	40¼
42½	25	1.25	3.1	Do. pfd.	335	39½	40	38¼	40
15¼	11	..	..	Cdn. Br. Al. A ..	3590	14¾	15½	14¾	15½
7.20	4.10	..	..	Do. warr. A ..	4875	6.90	7.20	6.55	7.20
6.50	3.45	..	..	Do. warr. B ..	1116	6.25	6.30	6.10	6.10
26	22	11.25	..	Cdn. Bronze	125	22	22¾	t23½	23½
90	80	5.00	5.6	Do. pref.	50	t80	90	90	90
16¾	14	.75	4.8	Cdn. Canners A	725	15¾	15½	15¼	15¾
23½	18½	.80+2.10	..	Cdn. Celanese ..	4962	22¼	23¼	22½	23
33	29	1.75	5.6	Do. $1.75 pref. .	220	31	31¼	31	31½
18	17½	1.00	5.6	Do. $1.00 pref. .	50	17¼	17¾	17½	17¾
13	8¾	..	..	Cdn. Chem.	8760	12¾	13	12¾	12¾
9.75	4.55	..	..	Cdn. Collieries .	8750	7.00	7.37½	6.75	7.25
82	68	.05	6.1	Do. pref.	16050	.75	.82	.75	.82
4.00	3.00	..	..	Cdn. Convert. A	320	3.75	4.00	4.00	4.00
¼	¼	..	..	Do. B	nil	..	B4¼	..	¼
16½	9¼	..	..	Cdn. Cottons ...	350	14	16	16	16
18¼	9½	..	..	Do. pref.	1425	17	18	16½	17½
4.10	2.90	..	..	Cdn. Curtiss W..	4475	3.50	3.25	3.15	3.25
13½	12	1.15	..	Cdn. Drawn Stl.	50	12½	12	12	12
13	10	.60+1.10	..	Do. pref.	nil	..	B12	A13	13
34	25½	1.65	..	Cdn. Dredge	1435	30	29½	29	29¼
11½	6¾	*2a.36	..	Cdn. Eagle Oil ..	125	10¾	11	11	11
11½	7¼	..	..	Cdn. Eagle Bear	100	10¾	11	11	11
36	25	2.00+1.10	..	Cdn. Fairb.	315	33	33	32½	32¾
108	106	6.00	5.6	Do. pref.	nil	..	B108	..	108
3.00	2.50	..	..	Cdn. Food Prod.	25	3.60	4.50	4.50	4.50
7	5	..	..	Do. A	100	8¼	8½	8½	8½
50½	41¾	..	..	Do. 4½% pref.	105	t52	t55½	t52	52
..	..	8.00+14.00	..	Cdn. Gen. Elec.	nil	..	B741	A1180	t748
38¾	32¾	1.20+1.15	..	Cdn. G. Inv.	291	t41	38¼	38	38
19½	17¼	1.00+1¤	..	Cdn. G. Sec. A ..	nil	..	t17	t17	t17
19½	17¼	1.00+1¤	..	Do. B	nil	..	B17½	A18	t17
12	7¼	..	..	Cdn. Hydrocarb.	9438	10¾	11¾	11	11½
t8	t7	*.10	..	Cdn. Ice Mach. .	nil	..	..	..	t7
12¾	10	.80	7.0	Do. A	nil	..	B11½	A11¾	11½
20¼	13½	*.40	..	Cdn. Indust.	3230	16¾	17	16¾	16¾
80	70	3.75	5.0	Do. pref.	5	75	75	75	75
48¼	35	1.25	..	Cdn. Ingersoll R.	60	40	40	40	40
20	19½	1.35	..	Cdn. Int. I. Tr. .	nil	..	B15	A18½	20
t82	t81	5.00	6.2	Do. pref.	nil	..	B81	..	181
24	18	..	..	Cdn. Int. Pwr. ..	515	18	18½	18¼	18½
47¼	45¼	3.00	6.6	Do. pref.	530	45¾	46½	45¾	45¾
10½	10½	..	..	Cdn. Locomo. ..	nil	..	B10	..	10½
8.25	5.00	..	..	Cdn. Marconi ..	1300	6.75	7.00	6.75	7.00
30½	27½	.80	2.7	Cdn. Oil	3692	29	29¼	28¾	29¼
83	81	4.00	4.9	Do. 4% pref. ..	nil	..	B83	..	82
105	93	5.00	5.0	Do. 5% pref. ..	nil	..	B100¼	A102	103
142	140	8.00	5.6	Do. 8% pref. ..	nil	..	B142	A155	142
32½	27½	1.80	5.3	Cdn. Pacific	12600	27½	28¾	27¾	28¼
15½	11¼	*a	..	C. Petrofina pf.	677	13½	13¾	13	13¾
8	6¾	*.20	..	Cdn. Pr. & P. S.	100	7¾	7¾	7¾	7¾
2.40	1.40	..	..	Cdn. Propane ..	1100	2.00	2.05	2.00	2.00
45	30	..	..	Cdn. Salt	nil	..	B39	A44	45
2.10	1.00	..	..	Cdn. Silk A	100	1.60	1.80	1.80	1.80
180	126	8.00+2.10	..	Cdn. Tire	93	175	180	175	180
..	..	1.00	4.8	Do. pref.	nil	..	..	..	21
84¼	82½	5.00	5.4	Cdn. Utilities pf.	nil	..	..	A92½	92½
79	74	4.25	5.6	Do. 4¼% pref.	nil	..	B77	A79	76½
24	18¾	1.55	..	Cdn. Vickers	675	19¼	19	18½	19
30½	22	*.40	..	C. Wallpaper A	nil	..	B29	A29½	29
33	23	*.40	..	Do. B	nil	..	B29	A29½	29
18	14¾	.80	5.3	C. W. Gas 4% p.	nil	..	B15	A15	15
20¾	18¼	1.10	5.5	Do. 5½% pfd. ..	1775	20	20	20	20
83	68	1.00	2.0	C. Westinghouse	175	50	51	50	50
..	..	..	..	Canarama	nil	..	B1.23	A1.40	1.15
..	..	..	..	Do. pref.	nil	..	B2.40	A2.75	2.15
..	..	..	..	Do. warr.	nil	..	B.40	A.75	.35
13¾	11	a.30+2.10	..	Capital Estates .	nil	..	B12	A12½	12

Range 1959 High	Low	Div. Y'ld R'teJul 3 $	%	Company	Sales	Last June 27	Week end. July 3 High	Low	Close or Latest
1.75	1.46	..	..	Carling Br. Alta.	nil	..	..	A1.50	1.46
1.60	1.45	..	..	Do. V.T.	nil	..	B1.42	A1.60	1.50
14	13	.60+2.30	..	J. B. Carter A ..	75	13¾	13½	13¼	13¼
38	38	12.00	..	Do. B	nil	..	B35	..	38
44	40	.50+1.25	..	Catelli Food A ..	170	41	41	40	40
60	54	1.00+1.25	..	Do. B	nil	..	..	A39	60
71	57	1.60	2.6	Chart. Trust	20	63	63	62¼	62½
24	19½	1.00	4.5	Chateau-Gai	40	23½	23	22	22
68	49¾	a.80	..	Chrysler Corp. ..	nil	..	B65	A70	64
..	..	19d	..	Cinzano A	nil	..	B1.70	..	t1.10
..	..	5¼%	..	Do. 5½% pref..	nil	..	..	..	..
2.25	1.25	..	..	Circle Bar Knit..	nil	..	B1.10	A3.00	1.25
3.50	2.50	..	..	Do. A	100	3.00	3.50	3.50	3.50
25	21	*a	..	Cochrane-Dun. ..	nil	..	B23½	A24½	25
14½	14½	.50	3.5	Do. A	nil	..	B14¾	A16	14½
16¼	13¼	..	..	Cockshutt Farm.	1911	14	15¾	14	15½
15½	8	a	..	B. J. Coghlin	115	8½	9	8	9
t15	t15	.75+1.25	..	Coll. Terminal ..	nil	..	B18	..	t15
16	16	.75+1.25	..	Do. pref.	nil	..	B15½	..	16
14	11	.60	4.5	Comb. Enter.	3050	12¾	13¼	12½	13¼
14	10½	1.50	..	Conduits Nat. ...	800	13	13	12¾	13
150	130	2.00	1.5	Conf. Life	nil	..	B131½	A142	133
164	157	..	..	Do. offered	nil	..	B162	..	160
10½	8½	.50	5.3	Cons. Bakeries ..	325	9	9½	9¼	9½
1.10	1.00	..	..	Cons. Div. Sec. A	nil	..	B.95	A1.10	1.00
32	31½	2.00	6.1	Do. pref.	22	32	133	133	132
2.50	2.00	4.25	..	Cons. Fire Ins. ..	nil	..	B3.05	A5.00	2.50
23½	19	.80+1.20	..	Cons. Min. & Sm.	2911	19½	20	19	20
45	37½	1.60+1.40	..	Cons. Paper	9307	42	42½	41¾	42½
4.10	2.25	..	..	Cons. Textiles ..	175	2.50	2.50	2.50	2.50
..	..	1.00	6.9	Do. pref.	nil	..	..	A20	t14½
44¼	34	1.70	..	Consumers Gas .	5006	41¼	44¼	41¼	44
106	100	5.50	5.3	Do. A pref.	140	105	104	103¾	104
105¼	100½	5.50	5.3	Do. 5½% pf. B	270	104	104	103½	104
35¾	33	1.50	4.5	Consumers Glass	140	33½	33½	t32¼	33½
..	..	a1.80	..	Cont. Can.	nil	..	..	..	57¾
8	6¾	.40+2.20	..	Copp Clark	110	7¼	7¼	7¼	7¼
21½	18½	1.10	5.8	Corbys Vot.	1930	19	19	18¾	19
20½	17	1.10	5.8	Do. B N. Vot. ..	1065	19	19	19	19
8¾	7¼	..	..	Coronation Mtge.	nil	..	B7½	A8¼	7¾
14	11½	.70+1.10	..	Cosmos Imp.	225	12¾	12¾	12¾	12¾
2.65	2.35	1.12	..	Craig Bit	nil	..	B2.00	A2.35	2.35
23	13¾	.25+1¤	..	Crain, R. L.	550	20½	21¼	21	21
4½	4½	..	..	Credit Accept. ..	40	4½	14¼	14¼	14¼
1.85	1.50	..	..	Crestbrook Tim..	nil	..	B1.60	A1.75	1.80
21¾	19¾	..	..	Do. pref.	2	t22	123	123	123
.35	.23	..	..	Dd. warr.	nil	..	..	..	.35
63	54½	2.00	3.2	Crown Cork	nil	..	B96¾	A98	98
34	26	.80	2.6	Crown Trust	124	31¼	31	31	31
58	48½	a1.80	..	Crown Zeller	nil	..	B48½	A50	49¾
24½	21	1.00	4.3	Cr. Zell. (Can.) A	1035	23	23½	22½	23
23½	17¼	.60	3.5	Crow's N. Coal ..	260	20	17¼	t17	17¼

D

85	85	7.00	8.2	Dalex Co. pref. .	nil	..	B82	A89	85
48	44¾	3.00	6.3	David & Fre. A ..	nil	..	..	A48	48
..	..	t5.00	..	De Havilland A ..	nil	..	B155	A299	190
34½	31½	1.20+2.50	..	Distill.-Seagram .	5320	32½	33	32¾	32¾
..	..	t10.00+7.00	..	Dom. Ang. Inv. ..	nil	..	B535	..	455
93	93	5.00	5.4	Do. pref.	nil	..	B93	..	93
24½	20	.80+1.20	..	Dom. Bridge	4710	23	23¼	23	23
8⅝	6¼	..	..	Dom. Coal pref. .	210	6¾	6¾	6½	6½
22	18	1.00	5.6

Mining Stocks

WEEK ENDED JULY 3, 1959

Range 1959 High	Low	Company & Dividend ($)	Sales	Last June 26	Week Ending July 3 High	Low	Close or latest
.43	.34	Abacus	363168	.36	.43	.37	.43
.13	.06½	Acadia Ur.	7975	.10	.10½	.10	.10
.10	.04	Ad Astra	nil	...	B.04½	A.05	.04½
2.80	2.70	Advocate	2800	2.75	2.85	2.75	2.85
.42	.13	Agassiz	nil	...	B.15	A.18	.14
.73	.50	Agnico	7535	.89	.89	.67	.67
.53	.42	Akaitcho	3500	.45	.45	.44	.45
.15	.08	Alba	5200	.11	.10	.09	.10
17.00	12.75	Algom	15006	14.25	16.87½	14.50	16.25
.40	.19	Alscope	3500	.30	.21	.20	.20
.45	.34	Amal. Lard.	2000	.30	.37	.28	.31
.18	.10	Amal. R.M.	nil	..	B.10½	A.11½	.11
.08	.04	Amer'm.	nil	..	B.04½	A.05	.04
.91	.53	Am Neph.	3166	.85	.68	.53	.65
.09½	.07	Amer. Stand.	4500	.07	.09	.07½	.08
1.18	.65	Anacon	9910	.69	.75	.70	.75
14.00	12.00	Anglo-Hur.	3270	12.50	13.62½	12.37½	12.50
.45	.25	Anglo-Rou.	nil	...	B.25	A.29	.25
.52	.32	Ansil	26771	.35½	.36	.32	.35
.15	.07	Anthonian	700	.08	.07	.07	.07
.23	.14	Arcadia	4300	.18½	.20	.18	.20
.10	.04	De. warr.	nil	...	B.02	A.04	.05
1.50	.96	Area	11060	1.00	1.05	.96	1.04
.19	.11	Arjon	6000	.11½	.14	.12	.12½
.06	.04	Arno	1500	.04½	.05	.05	.05
.10	.04	Atlas Sulp.	22000	.09	.10	.09	.10
.15	.08	Atlas Yk.	1050	.10	.08½	.08½	.08½
.23	.12	Atlin-Ruff.	8500	.14	.14	.12	.13
.08	.05	Aubelle	2500	.05½	.05½	.05½	.05½
.85	.35	Augustus	19834	.38	.40	.35	.38
.21	.09	Aull	17000	.13	.14	.12	.12½
.21½	.12	Aumacho	24500	.15	.14½	.13½	.13½
.16	.11	Aumaque	5200	.12	.12	.11½	.11½
3.15	2.65	Aunor	3600	3.00	3.15	3.05	3.10
.08	.04	Avillabona	3000	.05½	.06	.05½	.06
		B					
.33	.19	Baker Tale	8500	.20	.21	.20	.21
.08	.05	Band Ore	1000	.08	.07½	.07½	.07½
.25	.16	Bankeno	nil	..	B.16½	A.20	.18
.10	.04	Bankfield	2000	.08½	.09	.09	.09
1.94	1.40	Barnat	48570	1.66	1.83	1.67	1.71
.10	.04½	Barvallee	2500	.06	.06	.05	.05
.72	.61	Barymin	1500	.63	.63	.63	.63
.36	.15	Base Metals	10200	.16½	.17	.16	.16
.25	.14	Baska	45100	.20	.23	.20	.23
1.30	.40½	Bateman	93800	.52	.56	.48½	.56
.10	.04½	Beatrice	11000	.05	.05½	.05	.05
.26	.18	B'tie-Dug.	5000	.20	.20	.18	.20
.25½	.16	Beaver L'ge	3000	.20	.20	.17	.18
1.32	.98	Belcher	44100	.88	1.05	.97	1.02
.84	.41	Bellechase	13500	.52	.52	.50	.52
.13	.05½	Belle-Chib.	1000	.06½	.06½	.06½	.06½
1.90	1.53	Belleterre	nil	...	B1.71	A1.75	1.70
2.05	.90	Bethle'm	25000	1.37	1.40	1.34	1.37
.36	.15	Bevcon	50374	.30½	.22	.20	.20
.27½	.09	Bibis-Yuk.	21500	.15	.16	.13	.13
1.08	.51	Bicroft	3819	.60	.64	.58	.60
.22	.12	Bidcop	79541	.18	.19	.15	.19
.30	.10	Black Bay	nil	..	B.13	A.18	.12
.08½	.05	Bonville	5500	.06	.06	.05	.05
.10	.06½	Bordulac	1000	.07	.06½	.06½	.06½
.15	.05½	Bornite	18300	.06½	.07	.05½	.07
.79	.49	Bouzan	25400	.51	.53	.49	.53
.13½	.07½	Boymar	8500	.08	.08½	.07½	.08½
8.55	6.75	Brulorne	8898	6.95	7.05	6.75	7.05
.60	.50	Broulan Reef	9900	.58	.58	.51	.56
.08½	.05	Brunhurst	9750	.06	.05½	.05	.05
.09	.06	Brunsman	nil	..	B.05	A.08	.06
3.70	2.90	Brunswick	500	3.00	3.00	2.90	2.95
.22	.11	Buffadison	23000	.14	.15	.13	.13
2.55	1.30	Buffalo Ank.	4700	1.62	1.91	1.82	1.83
.09	.06½	Buff. R.L.	2985	.07	.07	.06¾	.07
4.65	3.20	Bulolo	1200	3.80	3.80	3.70	3.70
.11	.07	Bunker Hill	4300	.08	.08	.07	.07½
.42	.10½	Burnt Hill	25500	.34	.26	.24	.25
.40	.30	Burrex	nil	...	B.10	A.40	.39
		C					
.26½	.14	Cable	2500	.14½	.15	.15	.15
.46	.21	Cadamet	63000	.42	.41	.37	.41
.07½	.04	Calumet	2500	.04	.04	.04	.04
10.50	6.95	Camp. Chib.	4380	7.25	7.70	7.10	7.70
		Canadian Eldorado R.L.	nil	...	B11.12½	A12.00	10.87½
12.37½	10.00	.35+$.05					
		Canadian					
.13	.07	Cdn. Ast.	5000	.08	.09	.08	.09
.75	.30	Cdn. Dyno	4870	.31	.38	.31	.38
.84	.40	Cdn. Mal.	13000	.45	.48	.45	.48
.60	.17	Cdn. N Inca	2000	.18	.18	.18	.18
1.12	.37	Cdn. N'west	13525	.37	.41	.38	.40
.09	.06	Cdn. Thor	2500	.07	.08	.06	.06
.10	.05	Canalask	4096	.06½	.06½	.06½	.06½
.30	.15	Canam	2700	.18	.19	.18½	.19
.16	.16	Candore	3266	.16½	.17	.16	.16
2.45	.35	Can-Krin	185110	1.63	1.65	1.43	1.46
1.07	.23	Can-Met	37230	.37½	.38	.36	.38
.05	.10	Can. Warr.	4175	.11	.13½	.11	.12
.27	.13	Canorama	11000	.25	.34	.22	.23
.14	.08	Canuba	5500	.08	.08	.08	.08
.07	.04½	Canusa	nil	...	B.06	....	.05
.15	.09	Captain	4000	.10	.11	.10	.11
.28	.12	Carbec	23500	.14½	.13½	.12	.12
1.77	.78	Cariboo	8305	1.35	1.33	1.30	1.33
.28	.21	Cartier	43700	.65	.65	.62	.64
		Caslar Asb.					
12.12½	9.40	.40+$.07½	3708	10.87½	10.87½	10.75	10.75
5.50	4.75	Castle-Tre.	15	nil	B5.15	A5.50	5.40
2.10	1.00	Cayzor	2700	1.00	1.00	1.00	1.00
.10	.04½	Cen Man.	1000	.05	.06	.06	.06
1.63	1.05	Cen. Pat.	6550	1.40	1.40	1.30	1.39
.25	.13	Cen. Porc.	nil	...	B.13	A.15	.13½
.08½	.05	Cheskirk	7000	.05	.05½	.05	.05
.53	.19	Chesterville	1210394	.40	.48	.39	.42
.23	.17	Chib. Cop.	4500	.17	.20	.18	.18
.93	.48	Chib. Jac.	8172	.50	.92	.48	.52
.28	.16½	Chib. K'rand	23300	.21	.22	.21	.22
2.65	.72	Chib. Min.	6300	.80	.95	.80	.95
.89	.50	Chimo	2500	.54	.58	.56	.56
.17	.07	Chipman	8000	.09½	.10	.10	.10
3.15	2.45	Chromium	3450	3.10	3.15	2.90	2.95
.22	.13	Cleveland	24500	.16	.16	.16	.16
		Clix	nil	...			.12
4.00	3.08	Coast Cop.	nil	...	B3.50	A4.00	3.20
4.10	3.30	Cochen'r	8496	3.70	3.90	3.70	3.90
.21	.11	Cody-Reco	13000	.11½	.12	.11	.12
.14	.10	Coin Lake	2000	.14	.14½	.14½	.14½
.99	.33	Col'streams	18600	.35½	.38	.35	.36
1.30	1.15	Coleman A	nil	...	B.35	A.40	1.15
.32	.25	Do. B	nil	...	B.35	A.40	.25
.08	.05½	Colomac	500	.06	.06½	.06½	.06½
.31	.08	Comb. Met.	833	.34	.32	.32	.32
.41	.17	Commercial	nil	...	....	A.17	.17
.18	.09	Cominga	6000	.10	.09	.09	.09
.75	.50	Coniagas	3025	.51	.53	.53	.53
.40	.27	Coniaurum	500	.35	.38	.38	.38
.35	.22	Conkey	2500	.29½	.36	.26	.26
.15	.10	Cons. B'keno	5000	.10	.10½	.10	.10½
.17	.09	C. Beta	1667	.09½	.10	.09½	.10
.91	.68	C. Bi-Ore	6000	.10	.08½	.08½	.08½
.19	.13	C. Caldman	21425	.14½	.16	.13	.13
.08	.05	C. C. Cad.	2000	.06	.07	.06	.06½
18.00	11.00	C. Denison	106142	12.37½	15.62½	13.87½	15.25
4.50	1.55	Do. warr.	64635	2.06	2.74	2.05	2.60
4.10	3.65	C. Disc'y	4935	3.85	3.90	3.80	3.90
.83	.35	C. Fenimore	5847	.36½	.38	.35	.38
.10½	.06½	C. Gillies	1600	.08½	.08½	.08	.08
.36	.19	C. Gold. Arr.	1500	.24	.26	.26	.26
		C. Goldfield	nil	...			.00½
1.05	.55	C. Hall'well	79000	.56	.59	.57	.56
4.50	3.50	C. Howey	100	3.70	3.70	3.70	3.70
.84	.36	C. Marbenor	13220	.29	.30	.36	.29
1.15	.57	C. Marcus	1100	.68	.67	.67	.67
2.55	1.50	C. Mogul	16400	1.92	2.09	1.87	2.00
.11	.07½	C. Monpas	nil	...	B.10½	....	.10½
.38	.18	C. Morrison	185650	.32	.39	.30½	.37
1.20	.63	C. Mosher	3350	1.02	1.05	1.01	1.05
.38	.20	C. Negus	11866	.21½	.23	.21	.23
.08	.05½	C. Nich	833	.05½	.05½	.05½	.05½
.40	.24½	C. Northland	4300	.25	.25	.24½	.25
.20	.13½	C. Pershcourt	nil	...	B.14½	A.15	.13½
.45	.40	C. Que. G.	nil	...	B.33	A.43	.40
.10½	.04	C. Que. Y.	5000	.06½	.06	.06	.06
.15½	.09	C. Red Pop.	3500	.10	.11½	.09½	.09½
.25	.12	C. Regcourt	27300	.21	.20	.18	.18½
.14	.06½	C. San'rm	1000	.07	.07	.07	.07
		C Smelt.					
22.62½	19.00	.80+1.20	8911	19.50	20.00	19.00	20.00
1.10	.55	C. Sud'ry	12300	.56	.57	.55	.56
.67	.50	Cont. Potash.	3500	.50	.54	.53	.54
4.95	3.50	Conwest	100	4.10	3.85	3.85	3.85
.74	.25	Copper Corp.	22600	.28	.36	.25	.25
.16½	.11	Copper Man.	2000	.12	.12	.12	.12
2.50	1.74	Cop-Rand	7495	1.81	1.90	1.80	1.86
.38	.36½	Coulee	10600	.39	.39	.38	.38
.13	.07½	Cournor	13100	.11	.11	.10	.11
1.30	.67	Cowichan	8500	.72	.71	.67	.70
3.50	2.92	Craigmont	4050	3.90	4.00	3.80	3.90
.12	.08	Crestaurum	1000	.09	.09	.09	.09
.13	.08	Croinor	1000	.09½	.10	.10	.10
.19	.11	Crowpat	19000	.14½	.15	.13½	.14
.18	.08½	Cusco	7500	.10	.10	.09	.09
		D, E, F					
.40	.19	Daering	15100	.20	.22	.20	.21
.74	.30	D'Aragon	17400	.30	.32½	.30	.30
.34	.22	Decoursey B.	5749	.24	.22	.22	.22
.25	.15	Deer Horn	7700	.15½	.17½	.16	.17½
.19	.10½	D'Eldona	3800	.11	.12	.10½	.12
.74	.54	Delnite	15500	.54	.57	.57	.57
.13	.08	Dickstone C.	nil	...	B.08	A.10	.08
.17	.06	Doisan	5000	.09½	.10½	.10	.10½
21.25	15.75	Dome	2830	18.75	19.00	18.00	18.87½
.15	.10	Donalda	14000	.10	.10½	.10	.10
.46	.17	Duvan	13100	.20	.21	.18	.21
.16	.08	Duvex	10500	.08½	.08½	.08	.08½
.16	.08	East Amph.	4500	.08	.10	.08½	.10
2.15	1.35	East Mal.	3000	1.50	1.50	1.43	1.44
2.75	1.78	East Sull.	4985	1.80	2.05	1.78	2.05
.17	.07½	East. Metals	31300	.10½	.11	.10	.11
2.13	.80	Elder	109625	1.44	1.80	1.40	1.50
.50	.28	Eldrich	8000	.33	.35	.33	.34
.14	.09	El Sol	8200	.10	.10½	.09½	.10
.49	.30	Eureka	4200	.25	.26	.23	.25
.18½	.08½	Explor All.	207900	.08	.14½	.09½	.14
.23	.13	Fab. Met.	7500	.18	.17	.14½	.14½
		Falconbridge					
36.00	34.37½	1.20+2.20	15675	35.50	37.25	36.25	37.25
09½	.04	Fano	8000	.04½	.04	.04	.04
1.12	.70	Faraday	13721	.77	.77	.73	.75
.38	.02	Do. warr.	770	.09	.06½	.06½	.08½
.19½	.12	Farw't M.	16500	.13	.15	.12	.14
3.12	.50	Fatimo	11600	.30	.37	.35	.35
.01	.01	Flin Flon	nil	...	B.01	A.01½	.01
.07½	.04	Fontana '45	nil	...	B.04½	A.05	.05
.50	.38	Forty-Four	nil	...	B.38	....	.50
.11½	.07	Francoeur	4000	.07	.07½	.07	.07½
.08½	.08	Friday	3000	.08	.08	.08	.08
2.74	1.80	Frobisher	25325	2.25	2.50	2.30	2.30
85.00	75.00	Do. 4% deb.	10	81.50	81.50	81.50	81.50
.32	.05	Fundy Bay	15	...	.19½	.18	.19
		G					
38.50	37.00	Gaspe Cop.	nil	....	B33.00	A37.00	36.50
24.50	17.00	Geco	2945	17.62½	18.25	17.62½	18.12½
.30	.12	Genex	nil	...	B.12½	A.17	.12
2.50	1.00	Geo-Scient.	3000	1.25	1.25	1.15	1.20
.33	.09	Giant Mas.	23319	.20	.23	.19½	.22
9.00	6.25	Giant Yk.	3860	8.00	8.25	8.00	8.15
.59	.29	Glacier	9575	.30	.31	.30	.30
.14	.09½	Glenn Ur.	nil	...	B.09½	A.10	.09½
.28	.18	Goldale	1000	.20	.23	.23	.23
.40	.10	Gold Eagle	36500	.10	.13½	.10	.13
.03	.00½	Gold Lake	nil	...	B.01½	A.02	.01½
.80	.46	Gold. Age	7500	.58	.59	.46	.46
.45½	.30	Goldfields	10600	.30	.32	.30½	.31
9.00	7.80	Granby	nil	...	....	A8.00	9.00
.32	.15	Grandroy	2125	.16	.17	.16	.16
1.21	.21	Grandue	1900	1.38	1.39	1.21	1.39
.29	.23	Grandview	nil	...	B.15	A.20	1.20
.01	.01	Great Falls	nil	...	B.01	A.07	.01
.39	.02½	Greyhawk	34750	.04	.04½	.04	.04
.32	.08½	Gui-For Ur.	30600	.14	.17	.12½	.13

Range 1959 High	Low	Company & Dividend ($)	Sales	Last June 26	Week Ending July 3 High	Low	Close or latest
.15	.08	Gulch	4500	.09½	.09	.09	.09
.11	.07	Gulf Lead	5000	.07	.08	.07	.07
19.00	13.00	Gunnar G.	17425	13.75	15.50	14.00	14.75
7.50	2.65	Do. warr.	13070	2.75	4.00	2.70	3.65
.10½	.06	Gwillim L.	5000	.07	.07	.06½	.07
		H, I, J					
.10	.04	Hattian	35600	.04½	.05	.04½	.05
2.70	2.00	Halinor	1.08 nil	...	B2.30	A2.70	2.30
.14	.10½	Hard Rock	18300	.10½	.11	.10½	.11
.25	.14	Harr. Min.	3000	.15	.15	.14½	.15
.25	.18½	Hasaga	13100	.19½	.19½	.19	.19
.24½	.08½	H'd of Lakes	9500	.17½	.18	.16	.16½
.58	.34	Headway	6300	.38	.40	.36	.37
.11½	.07	Heath	4100	.07½	.07	.07	.07
.09	.05	Heva	3000	.05½	.08½	.05½	.05½
1.95	1.60	High.-Bell	1.05 Hollinger	1100	1.70	1.75	1.70	1.70
35.50	30.50	.34+1.12	4352	31.75	31.62½	30.50	31.25
5.25	4.00	Hoyle	1830	4.25	4.15	4.00	4.15
54.00	51.25	Hud. Bay	3.00	3616	51.75	53.50	51.25	53.50
.20	.14	Hugh-Pam	2500	.14	.15	.14	.15
1.40	1.40	Indian Chem.	nil	...	....	....	1.40
.10	.05½	Indian L.	8600	.06	.06	.06	.06
.70	.40	Inspiration	8108	.40	.48	.42½	.44
.26	.13½	Int. Ceramic	2000	.14	.14	.13½	.13½
96.00	83.00	Int. Nickl	2.10	14500	93.75	96.00	92.50	96.25
.41½	.23	Int. Ranwick	33750	.28	.25	.23	.24½
4.35	1.90	Irish Cop.	37510	2.05	2.30	2.03	2.28
2.55	1.80	Iron Bay	2200	1.80	1.90	1.85	1.85
.82	.42	Iso Uran.	18500	.46	.50	.47	.50
.20	.10	Jack Waite	6000	.14	.14	.12	.12
3.15	1.70	Jacobus	193375	2.35	3.15	2.35	2.78
.64	.27	Jaye	7800	.27½	.30	.28	.29
.21	.12	Jellicoe	22700	.13	.12	.12	.12
.34	.11	Joburke	24900	.12½	.13	.11	.12
.45	.26	Joliet Que.	3700	.26½	.26½	.26	.26
.34½	.16	Jonsmith	30530	.16½	.18½	.17	.17
.72	.52	R. J. Jowsey	3166	.54	.54	.54	.54
		K, L					
.14	.06	Kenville	nil	...	B.06½	A.07½	.06½
21.37½	18.25	K.-Add	80	9879	21.00	21.37½	20.37½	21.00
4.10	2.35	Kilembe	5000	3.45	3.50	3.40	3.50
2.17	.68	Do. warr.	800	1.85	1.79	1.71	1.76
.86	.48	Kirk. Min.	37335	.52	.60	.53	.55
.13½	.09	Kirk. Town.	nil	...	B.10	A.11	.10
.10	.06	Kontiki Ld.	2000	.06	.06½	.06½	.06½
.02	.01½	Koot. Base	nil	...	B.01	....	.01½
31.25	25.50	Labrador	1.25	2790	27.50	28.50	27.25	28.50
1.47	1.00	Lake Cinch	300	1.01	1.18	1.14	1.14
1.50	.60	L. Dufault	3500	.88	.93	.91	.93
.11½	.09	L. Lingman	4750	.09½	.10	.09½	.10
.34	.22	L. Osu	3000	.27	.31	.26	.26
5.80	4.45	L. Shore	990	5.50	5.50	5.40	5.40
.38	.26	L. Wasa	1000	.33	.34	.34	.34
6.00	3.50	La Luz	nil	...	B4.25	A4.75	4.30
3.75	3.00	Lamaque	200	3.10	3.20	3.20	3.20
.35	.27	Latin Am.	nil	...	B.19	A.35	.27
1.61	1.36	Leitch G.	06	6000	1.45	1.45	1.37	1.45
.17	.10	Lencourt	6000	.10½	.10½	.10	.10
.06½	.03½	Lexindin	3500	.04½	.04	.04	.04
.07	.04½	Lingside	5000	.04½	.04½	.04½	.04½
.20	.08½	Lithium	nil	...	B.12½	....	.20
2.48	1.90	Little L.L.	4775	2.10	2.10	1.90	1.95
.48	.32	Laroda Ur.	19000	.33½	.25	.22	.23
.22	.11	Do. warr.	2250	.11	.13	.11	.13
.12	.07	Louvicourt	7500	.07½	.07½	.07½	.07½
.40	.12	Lyndhurst	8500	.15	.16½	.15	.16½
.19	.07	Lynx Yk.	15500	.12	.12	.10	.11
		M					
3.10	2.66	Macassa	5825	3.10	3.10	2.95	3.05
.55	.25	MacDonald	26190	.30	.34	.27	.34
.16	.07½	Macfie	38800	.10	.11½	.10	.11
1.47	1.10	Macleod	1825	11.05	1.12	1.11	1.11
		Madsen R.L.					
3.45	2.55	.0+1.05	8550	3.10	3.10	3.00	3.05
.16	.06	Magnet	251140	.09	.12	.09	.11
.05	.03½	Majortrans	nil	...	B.03½	A.04	.04
1.25	1.04	Mairlyn	10700	1.14	1.15	1.10	1.10
.11	.06½	Maneast Ur.	3000	.06½	.07	.06½	.06½
1.50	.75	Manitou-B.	1550	.90	1.00	.95	1.00
.42½	.20½	Maralgo	14925	.22	.27	.22	.26½
.17	.08	Marcon	1000	.08	.09	.09	.09
2.05	1.07	Maritimes	40525	1.14	1.30	1.14	1.30
.40	.25½	Martin McN.	16200	.32	.33	.31	.31
		Massberyle	nil	...	....	....	.19
.23	.12	Matschewan	7000	.13½	.14	.12	.14
.28	.12	Maybrun	3633	.14	.16	.13½	.13½
		McIntyre					
95.00	80.00	2.00+$1.00	1065	90.00	91.00	89.50	90.25
.48	.34	McK. R.L.	43300	.30	.34	.30	.30
.13½	.08	McMarmac	nil	...	B.08	A.09	.08
.41	.25	McWatters	2000	.28	.28	.28	.28
.28	.12½	Mentor Exp.	1000	.13½	.15½	.15	.15
1.90	.99	Merrill Is.	26300	1.25	1.30	1.20	1.33
.12½	.08	Meta Ur.	12800	.10	.10½	.08½	.09
.55	.38	Mid-Chib.	4100	.40	.38	.35	.35
1.00	.68	Midrim	1800	.72	.72	.71	.71
.33	.13	Midwest	5700	.19	.18	.16	.17
2.95	1.31	Milliken L.	20210	1.50	1.54	1.45	1.50
.08	.06	Mindamar	nil	...	B.07	A.09	.07
16.37½	13.37½	Min. Corp.	1.35	3020	14.00	14.25	14.12½	14.12½
.27	.12½	Min. Ore	7228	.14	.15	.13	.15
.21	.10	Mogador	8000	.10	.11	.10	.10
1.72	.85	Molyb'nite	1000	1.00	1.00	1.00	1.00
1.25	.80	Moneta	7460	.94	.95	.90	.90
.30	.15	Monpre	500	.24	.27	.27	.27
1.34	.55	Montgary	5700	.65	.79	.65	.74
1.04	.47	Mt. Wt. Iron	21300	.57	.55	.50	.51
.61	.42	Multi-Min.	5500	.45	.49	.47	.48
		N					
.40	.16	Nama Cr.	6000	.17	.19	.16½	.19
.14	.08	Nat. Ex.	10000	.09	.09½	.09	.09
.20	.08½	Nealon	46650	.14	.16	.13	.13
.16	.12½	Nello Min.	nil	...	B.14	A.20½	.14
.36	.20	Nesbitt L.	17500	.28	.30	.27	.27
.08	.03½	N Ainsworth	4500	.05	.08	.05	.05
.12	.07	N. Algex	3500	.07½	.07½	.07	.07
.69	.30	N Athona	7900	.36	.38	.35	.36
.07½	.05	N. Bidi'e	2000	.06½	.06	.06	.06
.43	.29	N. Calumet	1.02	4200	.30	.31	.30	.31
.08	.07	N. Cronin	500	.07	.07	.07	.07
.38	.20	N. Delhi	500	.20	.31½	.31½	.31½
		N. Dick'n					
2.75	2.25	.10+1.02½	6451	2.56	2.60	2.55	2.55
1.15	.74	N Far North	nil	...	....	A.70	.74
.36½	.07	N. Formaque	12500	.18	.18	.17	.18
.11½	.07	N. G'dvue	3500	.07	.07½	.07½	.07½
.17	.08	N. Hamil	nil	...	B.07½	....	.09
.15	.10	N. Har'ns	1000	.10½	.12	.12	.12
1.53	.72	N. Hosco	82700	.85	1.05	.79	.95
.10	.05½	N. Imperial	1000	.08½	.08½	.08½	.08½
.05½	.04	N. Indian	900	1.01	.04½	.04½	.04½
.12	.05	N. Jack Lk.	500	.07	.07	.07	.07
.12	.07	N. Jason	333	.08½	.09	.08	.08
.27½	.06½	N. Kelore	13500	.13	.13½	.12	.13
.41	.25	Newlund	21575	.27	.28	.25	.27
.55	.30	N. Man.	500	.42	.40	.40	.40
2.71	1.18	N M'l'que	363150	1.70	1.75	1.63	1.67
.09½	.06	Newnorth	nil	...	B.06	A.07	.06½
1.34	.74	N. Pac. Coal	2500	.87	.74	.74	.74
.26	.10	N Rouyn	100044	.19	.23	.18	.23
.09½	.05½	N. Santiago	26500	.08	.07	.06	.06
.10	.06	N. Senator	2000	.06	.06	.06	.06
.19	.13½	N. Taku	nil	...	B.13	A.17	.13½
.06½	.04	N. Vinray	1800	.05	.06	1.03½	.06
1.15	.46	N.W. Amulet	36400	.85	.88	.76	.80
1.18	.51	Nickel M. & S.	32017	.60	.61	.57	.61
1.20	.71	Nickel Rim	nil	...	B.75	A.90	.71
2.65	1.73	Nipissing	500	1.77	1.76	1.76	1.76
.06½	.05½	Nisto	1000	.06	.06	.06	.06
.30	.06	Nocano	1000	.15	.14	.13	.13
.30	.15	Nor Acme	3500	.17½	.18	.17	.18
58.00	50.00	Noranda	2.00	7596	50.50	52.50	50.50	52.25
.13½	.07	Norgold	nil	...	B.07	A.08	.07
.43	.31	Norlartic	41650	.33	.35	.33	.34
4.50	3.15	Normetal	1

Copper Reacts Quickly To Fading Strike Threat

By ALEX WILSON

Strikes and strike threats still hold the key to sensitive base metal prices.

Most major non-ferrous metal producers face the possibility of strikes as union contracts expire.

In the U. S. some 30 contracts in the copper industry expired on June 30. Lead and zinc contracts are also running out.

But the threat of nationwide strikes does not appear imminent as the Mine, Mill and Smelter Workers adopt a wait-and-see attitude, until the steel situation is cleared up.

The union, backed by authorization of rank and file to call a strike, has stated that as long as progress is being made, no strike will be called.

The vanishing threat sparked a ½c per lb. cut in U. S. custom prices at mid-week.

Many experts are watching the smaller unions like machinists and railway workers as they enter negotiations. Strikes by them would close the mines too.

Outside the U. S. labor peace appears even more probable.

Noranda Mines recently reached settlement with the United Steel Workers on a two-year contract. And the other major Canadian producers aren't faced with disputes this year.

South African problems were settled last year.

And in recent weeks settlements have been made in South America, notably at the huge Chilean operations of **Anaconda Copper.**

Worried copper producers now see a strike as the only way to hold prices from sliding further.

World supplies are mounting rapidly and some statisticians estimate a world surplus production rate of 350,000 to 400,000 tons on an annual basis.

Last year, when prices were soft, world stocks stood at an estimated surplus of some 250,000 tons.

Since mid-June custom copper smelters in the U. S. have dropped prices five times. Current custom price of 29½c a lb. is 2c per lb. below producer offerings of 31½c. The difference may force a quick move by producers.

Despite the current weakness in copper, higher prices have spurred several Canadian operations to reconsider production plans.

Copper Rand Chibougamau should start production in the fall. Others are actively developing their properties with a view to output. The list includes **Bethlehem Copper, Portage Island Chibougamau, Chib-Kayrand. Coldstream Copper Mines** is making final arrangements for financing to permit resumption of production.

In the face of such mounting output, the strike is seen as the only way to pare stocks without forcing the price down.

While dropping prices would curtail activities, world producers are striving to maintain a stable market for copper as means of ensuring markets.

They have suffered loss of sales in recent years from wildly fluctuating prices and seek to hold variations to a minimum.

Despite continued strength in lead and zinc sales prices of these metals remain edgy. Sales of lead in May reached highest levels in over 19 years in the U. S. The near record sales of 65,207 tons coupled with somewhat reduced output cut stockpiles.

But the heavy buying is not expected to hold up.

Many observers feel that the buying was set off by fears of strikes. Negotiations are under way with some major producers, including **American Smelting & Refining,** and **New Jersey Zinc.** Strikes have idled other operators on a limited scale.

But, as with copper, the big battle is not likely to turn up until after the steel situation is settled.

Current lead price of 12c a lb. (U. S.) has been in effect since early May, while zinc price of 11c a lb. (U. S.) was established in late February.

FUNDY BAY DRILLING

Fundy Bay Copper Mines has completed the first hole in a program of diamond drilling on its Frotet Lake area property. The hole resulted in intersection of 50 ft. of sulphides containing zinc and copper mineralization, reports R. P. Mills, president. Drilling is on one of three anomalies to be tested by drills in the current program.

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Taking Stock

What's going on in the mining and oil markets — the facts and rumors.

By FRANK KAPLAN

Pace of investment interest steps up slightly in mining stocks with latest emphasis on the big nickels.

Mining issues had been dogging along sluggishly in a narrow path, with only the occasional breakout of activity in speculatives as investors and traders concentrated on Wall Street's industrial bull market.

But recently brokers note what they think may be the first signs of returning interest. Such interlisted issues as **International Nickel** had been strong on U. S. buying. Now interest appears to be spreading.

Here's how nickel producers have been trading as markets for the metal improve with the steel industry boom.

	Latest Price	Mid-June	1959 High	1959 Low
	$	$	$	$
International Nickel	96½	92½	96⅝	83
Falconbridge	29	25½	32	24⅜
Sherritt Gordon	3.25	3.20	4.60	3.05
North Rankin	1.25	1.20	1.98	1.00

* * *

Some signs that speculative appetites could be whetted by northwestern Quebec again. Street buzzes with talk of some good copper intersections in shallow drilling at the Bibis property west of Opemiska Copper. Bibis shares firm to 18½c from around 14c with activity picking up slightly. Bibis is drilling this property and company officials at mid-week were awaiting assays.

The Lake Frotet area threatens to make news also. **Fundy Bay** has been drilling and cutting sulphide intersections. Now there are reports that **Jacobus Mining** (of the molybdenum property in the Yukon) has come across zinc in trenching its Frotet property. Fundy shares at 17c firm from 14c, and Jacobus is fairly quiet at $2.75 after bouncing vigorously to a $3.15 top from a $1.75 low on results from its molybdenum property.

* * *

Steep Rock Iron Mines is shipping ore at a heavy rate from its Atikokan iron property. It had passed the 900,000-ton mark at the end of June, with 400,000 tons moving out in June alone. This heavy pace is expected to continue. Steep Rock shares bounce up to $13⅜ from a recent dip to $11½.

Directors of **Yukon Consolidated** are still waiting for information from a U. K. legal firm which says it is acting for buyers wanting to pay the equivalent of about $1.14 a share. With the stock bouncing around from a high of 99c down to about 85c, some doubts are arising regarding the offer for the Consolidated Zinc-controlled company. It was revealed June 12 (stock at 75c) but while U. K. reports talk about Yukon directors accepting the offer, the directors still want to know (among other things) the financial stability and identity of the purchasers.

* * *

Explorers Alliance flurries briefly to 14½c from around 9c, then settles to 13c as the company starts production at a small gold property in northern Manitoba.

Tombill and **Consolidated Morrison** attract speculators on the strength of their activities in the Saskatchewan potash fields. Tombill at $1.37 is ahead from around $1.10, while Morrison edges ahead to 40c from around 35c.

New Mylamaque again sags under brisk selling with the stock sliding to $1.37 from $1.65. Little **Central Porcupine** is talking with giant **McIntyre Porcupine** regarding sale of six adjoining claims to McIntyre reports W. R. Sweeny, Central's president. Central at 13c a share is at its low for the year. McIntyre trades at $90⅛.

* * *

ON THE OIL AND GAS FRONT—interest continues very light with activity at a crawl. **Jupiter Oils** is another member of the Florida real estate club, joining **Stanwell Oil** and **Elder Mines.** Jupiter shares settle at $2.25, after climbing to $2.40 from $1.95. Stanwell at 63c is off a few cents but Elder Mines perks busily as it bounces to about $1.70 from around $1.30, then drops back to $1.60.

Western Leaseholds shares in a well that hits gas as a follow-up to a discovery northwest of Calgary in the Wildcat Hills area. The well is being deepened. At $3.75, the shares are steady.

Queenston and **Cadamet,** two mining companies sharing in a "non-commercial" gas well in the St. Lawrence lowlands, are hit by brisk selling. Queenston drops to 20½c from 33c and Cadamet at 25c is off from 42c.

Lorado Hopes For More Ore

Lorado Uranium Mines, faced with shortage of ore to treat in its custom mill, may find the solution to its problem in its own mine, says H. H. Wright, managing director.

But ultimate financial success depends on substantial increase in tonnage from other Beaverlodge producers, he said.

In a rush to develop new ore the company is deepening the shaft to open three new levels. On the fourth and fifth levels, opened late last year, three new orebodies have been found.

In addition some new ore is being turned up on the first two levels.

Immediate object of the stepped-up development is to boost the mine output to 125 tons daily.

It is also hoped that **Eldorado Mining & Refining** will step up current shipments of 100 tons daily as development progresses.

The break-even point on mill operations is about 400 tons daily. This rate does not provide for retirement of debt.

Because the current operating rate is only slightly above this level Lorado is seeking extension of maturity of debt, changes in sinking fund, and changes to the security fund.

Last week's meeting of debentureholders to consider these moves was adjourned to July 21, because of lack of quorum.

Worth Noting

Financing agreements and changes in financing deals, major changes in capital, filing statements are listed as reported by the Toronto and Montreal exchanges, Ontario Securities Commission

CANORAMA EXPLORATIONS, acquisition of 17 claims in Port Arthur area for 250,000 shares (90% pooled).

COPPER RAND CHIBOUGAMAU, issuance of further $750,000 6% first mortgage bonds to **Patino of Canada,** together with 50,000 shares at 90c a share; leaves balance of 685,000 shares on which 10c paid by Patino under underwriting agreement.

CRYDERMAN GOLD MINES, OSC prospectus filed in regard to underwriting of 100,000 shares at 10c a share with options granted on further 900,000 shares at 10c to 20c a share over 18-month period.

DEER HORN MINES, option installment of 200,000 shares at 20c a share not exercised and agreement terminated.

GLACIER EXPLORERS, TSE filing statement in respect of sale of petroleum exploration permits in Northwest Territories and acquisition of exploration permits in Lake Erie.

JUPITER OILS, TSE filing statement covering acquisition of 1,200,000 shares of **Resources Ventures Corp.,** acquisition of interest in 1,400 acres in Texas and 1,250 acres in Louisiana; increase of 2,500,000 in authorized capital.

LONG ISLAND PETROLEUMS, option installment of 200,000 shares at 20c a share not exercised and agreement terminated.

MONTGARY EXPLORATION, release of 612,000 shares from escrow, no further shares pooled.

MOUNT WRIGHT IRON MINES, granted extension of three months on option installments.

NEW ROUYN MERGER, TSE filing statement in regard to underwriting of 250,000 shares at 20c a share with options granted on further 800,000 shares at 23c to 30c a share.

NORTH AMERICAN RARE METALS, release of 250,000 shares from escrow, leaving balance of 476,000 shares in escrow.

RADIORE URANIUM MINES, TSE filing statement filed in respect of change in investment portfolio comprising purchase of 64,500 shares of **New Athona Mines** at cost of $37,073.

WADGE MINES, OSC prospectus filed in respect of underwriting of 250,000 shares at 10c a share with options granted on further 250,000 shares at 13c a share.

Discovery's Depth Work Finds Higher Grade Gold

Despite stepped up outside exploration expenditures, **Consolidated Discovery Yellowknife** is maintaining profits close to last year's level.

In the first half of 1959, company had a net profit of $433,218 or 15.8c a share, down about 4% from $452,279 or 16.5c a share in the same period of last year.

Developments at the mine continue to result in discovery of higher grade ore at depth. Drilling and drifting on the four new levels from 2,900 to 3,350 ft. has turned up intersections grading "in the ounces", President J. C. Byrne states.

Coupled with the marked improvement of grade with depth, a new zone has been found on the bottom or 3,350-ft. level. Two holes at 30 ft. intervals averaged 2.18 oz. per ton over a width of 2 ft.

Results of drifting on the new levels reveals the improvement in grade that is turning up. On the 2,900-ft. level, 180 ft. have been opened grading 1.63 oz. per ton over width of 5.7 ft.

Better grade came from the 3,050-ft. level where 122 ft. has been developed, grading 2.20 oz. over 5.7 ft.

Drilling on the next two levels indicates continuation of the improved grade, Mr. Byrne states.

Drive to investigate ore zone some 500 ft. south of present mine workings is 280 ft. short of the target on the 1,400 ft. level. The work is seeking upward extension of the No. 16 vein picked up on the 1,700-ft. level. Grade of this zone runs from 0.75 to 1.00 oz. per ton over a width of 3 ft.

The expanded program of outside exploration includes participation in the development of **Taurcanis Mines'** gold property. Development of the property, 100 miles northeast of Discovery, is under management of Discovery. Partners in the $1 million program are **New Dickenson Mines** and **Brewis & White.**

Here are the operating results for the first half:

	First Half 1959	First Half 1958
Tons milled	24,616	25,193
Oz. gold	42,104	42,330
Gross production	$1,426,388	$1,430,445
Profit before tax	734,940	697,279
Profit after tax	333,218	497,279
Outside exploration	100,000	45,000
Est. net profit	433,218	452,279
Earnings per share	15.8c	16.5c

Taurcanis Target Closer

Lateral development is getting under way at the Northwest Territories' gold property of **Taurcanis Mines.** The program involves 6,000 ft. of crosscutting drifting, and raising, and 7,000 ft. of drilling.

Project of shaft sinking to 670 ft. has been completed. Levels have been established at 325-, 475-, and 625-ft. horizons.

Initial lateral work will be concentrated on the 325- and 625-ft. levels in developing two of the 10 known occurrences on the ground.

Work will continue through the winter, says J. C. Byrne, vice-president.

No difficulty is encountered with transporation as all men and supplies are flown in. Work is now under way to improve the 3,600-ft. airstrip.

Operations at the mine are under the management of **Consolidated Discovery Yellowknife Mines,** one of the partners in the $1 million financing arrangement covering the project.

Eastern Metals Gets New Name

Reorganization involving change in name and share exchange was approved by shareholders of **Eastern Metals Corp.** at the recent annual meeting.

Shares of **Territory Mining Co.,** the new company, will be issued on the basis of one share for each five shares of Eastern Metals.

As result of the approval, arrangements for an underwriting of 250,000 shares at 55c a share can be completed. This will permit the company to pay off all debt. At the end of 1958, liabilities amounted to $122,415.

About $60,000 should be left over for exploration, states Andrew Robertson, president.

A 60-claim iron prospect will also be acquired following the change. Exploration of the sand deposit in the Nipigon area of Ontario is planned. Work at the old copper property in Montmagny county, Quebec, may be resumed. Work there was stopped in early 1957.

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Campbell Probes Chib-Kayrand

Better copper prices in recent months have sparked renewed activity at **Chib-Kayrand Copper Mines.**

Plans call for an underground probe of the Chibougamau area copper property by **Campbell Chibougamau Mines.** The program involves an 1,800-ft. drive from the Campbell property on either the 250-ft. or 400-ft. level.

If sufficient tonnage is revealed, the preliminary agreement calls for mining to be undertaken by Campbell on a profit-sharing basis. A final agreement covering the project will be worked out as soon as detailed cost estimates are completed, states R. P. Mills, president.

New Gold Group In Long Lac Move

Another gold prospect has passed into the control of the **Little Long Lac** group of companies. Purchase of **Norbeau Mines (Quebec)** has recently been completed at an undisclosed price.

The interest was acquired from **Noranda Mines** which controlled company. Last work on the Chibougamau property was undertaken by Noranda in 1939. Little Long Lac is laying plans to undertake exploration of the claims.

Noranda said in a statement concerning the sale, that the unsolicited offer was accepted in the interests of the minority shareholders, because of possibility of early development.

What's ahead for

URANIUM!

Will new bilateral agreements increase sales? Or are extended contracts merely being mooted to help the professional unload? Are more mines headed for trouble or is the worst over? What is fact and what is wistful thinking in all this current talk about uraniums?

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Ticker Topics this week discusses uranium and its place in an inflation beating stock portfolio together with comments on the companies in the industry.

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NATURE OF BUSINESS FP-40

Northspan Debt Reschedule Needs Two-Thirds Okay

Northspan Uranium Mines has asked holders to agree to a rearrangement of sinking fund obligations.

A Sept. 1 meeting will consider proposals which have the effect of postponing payments to the beginning of 1961 and increasing the last five payments so that the bonds are cleared away at maturity, July 1, 1963.

Holders of at least two thirds of the 5¾% general mortgage bonds must approve the plan.

Bondholders appear to be optimistic that the new arrangement will work out favorably. Bid prices on the general mortgage bonds have strengthened from $74 bid three weeks ago to $80 bid this week.

Arrangements have been made with banks which hold notes, secured by first mortgage bonds ranking ahead of the general mortgage issue, to extend repayment a year to the end of 1960.

However, this repayment extension covering $13,250,000 (U. S.) and $9,167,000 (Canadian) prior bank loans is subject to approval of the proposals being submitted to the general mortgage bondholders. Northspan has outstanding $45 million of Series A general mortgage bonds which were sold in the U. S. and $6 million Series B which are in Canadian funds and were taken up by its parent company, **Rio Tinto Mining Co. of Canada.**

This is how Northspan will provide money for retirement of notes to banks and the general mortgage bonds under the proposed revised schedule.

In the last six months of 1959, $7 million ($4 million U. S., $3 million Canadian);

In 1960, $15,417,000 ($9,250,000 U. S., $6,167,000 Can.);

In 1961, $15,130,000 ($13,350,000 U. S., $1,780,000 Can.);

In 1962, $20,060,000 ($17.7 million U. S., $2,360,000 Can.);

Balance July 1, 1963, $15,810,000 ($13,950,000 U. S., $1,860,000 Can.).

A report on current operations reveals that Northspan had a loss of $1,736,981 in the first five months of 1959. In the first six months of production (the last half of 1958), loss was $5,067,085.

Write-offs in the latest period amounted to $9,114,364 and are based on the quantities of uranium oxide remaining to be delivered under the Eldorado contract ending by March 31, 1963.

Recovery in May was 2.05 lb. per ton, ahead from 1.77 lb. in the last half of 1958. Operating costs per ton milled dropped to $11.36 from $12.84. Northspan has reverted to a delivery rate of 445,000 lb. a month after being limited to 403,000 lb. for six months.

The company will purchase 30,000 tons of ore monthly from **Algom Uranium Mines** for the remainder of the year.

E. B. Gillanders, president, says this is part of a program to reduce Lacnor operations from an intensive seven days to a normal five-day week as shaft is deepened and mine layout improved.

The shaft sinking program at Panel is nearing completion while the Lacnor sinking should be providing benefits early in 1960.

Here are profit and loss figures for the first five months of this year and the last six months of 1958.

	Last half 1958 $	5 mos. to May 31/59 $
Gross revenue	30,702,461	23,245,745
Mine costs	20,798,965	13,076,243
Admin., mine tax	365,345	606,785
Interest	2,719,199	2,185,834
Write-offs	11,886,017	9,114,364
Loss	$5,067,085	$1,736,981

Jupiter Oils In Real Estate

Jupiter Oils has moved into Florida in its search for profits. But this play is in real estate, not oil.

The company has purchased 8,000 acres in Sarasota county, considered suitable for residential and commercial development. No details of the purchase price have been released as yet. Final arrangements for the deal are to be completed on or before July 15.

NEW ROUYN DRILLING

As result of geophysical survey **New Rouyn Merger Mines** has started drilling on its 59-claim property in the Noranda area of Quebec. Three anomalies are to be tested in the drilling, and later work is planned on some gold showings on the property.

60-Tons-Day Gold Mine For Manitoba

Add one new gold producer to the Canadian mining scene.

Latest new mine is a small plant at Herb Lake in northern Manitoba where exploration and development activity has picked up as civilization pushes north.

Explorers Alliance president, Lloyd K. Smith, this week announced initial production at the old Ferro property at 60 tons of ore daily. This property is near the Stall Lake and Chisel Lake base metal properties being developed by **Hudson Bay Mining & Smelting.**

International Nickel's new mines in northern Manitoba are also helping push the pace of mining exploration and development throughout the general area. New roads, power facilities and people change mining economies.

The Ferro property was first examined in the 1930s, revived in 1945 with a shaft sunk 540 ft. and considerable lateral work carried out as four levels were opened. But the property remained idle until now.

Production will be increased to over 100 tons with additional crushing equipment and a report to shareholders **estimates that $10 a ton profit can be obtained, at 75% recovery rate in milling present ore dumps.** These dumps contains about 4,400 tons.

While the small mill handles dump ore, the shaft and underground workings will be dewatered and mining is expected to start in September. It is estimated that there are 26,000 tons grading 0.788 oz. gold above the 450 ft. horizon indicated by previous work.

Oil Firms Bid To Explore Sask. Acreage

From Our Own Correspondent

SASKATOON — A closed bid for petroleum and natural gas exploration permits on 12 blocks of wildcat acreage has yielded the Saskatchewan government $311,136.

Highest bidder: **Sinclair Canada Oil Co.**, Calgary, $151,652 for rights to explore 99,040 acres in the Dollard area of southwestern Saskatchewan.

Pan American Petroleum Corp., Calgary, got 174,240 acres for $69,662 in two separate bids on two parcels of land in the Webb-Instow district.

Other successful bidders:

Union Oil Co., California, $7,506 on 48,160 acres near Maple Creek.

Oliphant and Oliphant, $2,113, on 100,000 acres near Dollard.

Imperial Oil Ltd., $11,007 on 99,520 acres near Elrose-Shackleton.

California Standard Co., a total of $34,096 on 100,000 acres near Rosetown and 150,400 acres in the Simpson-Raymore-Leross area.

British American Oil Co. also was attracted to the latter named area taking up nearly 200,000 acres there for $23,400. B. A. also paid $11,700 for rights to explore 100,000 acres near Strasbourg.

Royal Bank Staff Changes

W. H. SMITH, assistant general manager's department, Toronto, to be manager, Kitchener, Ont.

G. C. NELSON, assistant manager, Spadina & College, Toronto, to be manager, Bloor & Bathurst, Toronto.

L. W SPENCE, accountant, Kerrobert, Sask., to be manager, Conquest, Sask.

T. SMART, Manager, Preston, Ont., to be manager, Burnhamthorpe Road, Toronto.

R. B. McINTOSH, manager, McMurray, Alta. to be manager, 3 Cambrian Drive, Calgary.

E. W. MUIR, manager, Kerrisdale, Vancouver, B.C., to be manager, 6th & 8th New Westminster, B.C.

T. A. EDDY, manager, Conquest, Sask., to be manager, Cabri, Sask.

C. E. OLSON, accountant, Indian Head, Sask., to be manager, Alsask., Sask.

D. WINTON, accountant, Bank & First, Ottawa, Ont., to be assistant manager, Bay & Temperance, Toronto.

J. L HAINSWORTH, assistant general manager's department, Vancouver, to be assistant manager, Vancouver.

B. J. McLAUGHLIN, accountant, Somerset & Booth, Ottawa, to be accountant, Bank & First, Ottawa.

L. R. ASHTON, assistant accountant, Strathroy, Ont., to be accountant, Burnhamthorpe Road, Toronto.

T. H. A. GREENIS, assistant general manager's department, Toronto, to be accountant, Belleville, Ont.

C. B READY, accountant, Courteney, B.C., to be accountant, Upper Lonsdale, North Vancouver.

J. M. WALKER, assistant general manager's department, Vancouver, to be accountant, Hastings & Homer, Vancouver.

E. GRAHAM, accountant, Upper Lonsdale, North Vancouver, to be accountant, Main & 8th Vancouver.

F. W. LINDSAY, assistant accountant, Melfort, Sask., to be accountant, Indian Head, Sask.

J. C. TOUGH, assistant accountant, Blind River, Ont., to be accountant, Jarasstown, Ont.

C. A. SNELL, assistant general manager's department, Toronto, to be accountant, St. Catharines, Ont.

R. J. MITCHELL, assistant accountant, Niagara Falls, Ont., to be accountant, Port Colborne, Ont.

D. H. CHITTICK, assistant accountant, Almon & Agricola, Halifax, to be accountant, Bedford, N.S.

MONEY IN METALS

When the Canadian market witnesses a cyclical return of public apathy toward mining stocks, sudden reversals are prone to occur.

Shares during such periods flow into professional hands—facilitating the launching of drives to higher levels as the profitability inherent in well-attuned metals reasserts itself.

We have been anticipating a time when such advances would again develop, and you may find our views interesting. A $5 trial fee will bring you our next eight reports.

Cronenberg reports

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Wants $70 oz. Gold Price But for U.S. Mines Only

From Our Own Correspondent

WASHINGTON, D.C. — A special price increase for gold is being argued by mining interests as the best way to stop the dropping U. S. gold reserves.

So far this year, U. S. reserves have fallen by almost $400 million and during the past 16 months more than $2.5 billion have been taken out of the U. S. gold reserves (FP, May 16).

The Administration is not overly worried about the loss of gold reserves, for there still is close to $20 billion in U. S. storage.

Mining interests, however, are using this loss of gold to further their efforts to get a boost in price.

A hearing has been held before a House subcommittee on mines and mining at which a number of witnesses urged a bonus of $70 an ounce for all newly-mined gold.

Said Merrill Shoup, western banker and mining company president:

"The bonus payment would aid in the rehabilitation and restoration of the gold mining industry and, in addition, help to carry the costs of producing copper, lead, zinc and other complex ores of the type which carry a small gold content.

"**The bonus would stimulate gold production,** help rebuild our rapidly dwindling gold supply, help restore people's confidence in our continually deteriorating and depreciating dollar, help check our continuing inflation and be to the best long range economic and financial interest of our people."

Rep. J. Edgar Chenoweth, Colorado, echoed these sentiments in the House of Representatives.

"Our gold reserves have now dropped to below $20 billion which is the lowest point in many years," he said. "There is genuine concern over the continuing large exports of gold from the U. S. and it is obvious that these stocks must be replenished if we are to maintain sound fiscal polices. The practical way to build up our gold stocks is to encourage the production of gold in this country."

Shoup suggested a $70 oz. bonus on all newly-mined gold would cost the U. S. Government about $100 million a year.

This was nothing, he said, compared with the billions of dollars paid out to farmers in subsidies.

In addition to the bonus, he urged that gold convertibility be restored, a free market for gold established, and private ownership of gold be allowed.

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EXPLORATION

Oil Output Down Despite Export Jump

From Our Own Correspondent

CALGARY — Despite a 26,000 b/d jump in export to the U. S. Puget Sound area, Alberta's oil production for July was sliced to 330,322 b/d, 21,770 b/d less than in June.

Reason: Huge inventory build-ups in Ontario and Manitoba refineries.

Nominations for Ontario refineries dipped to 88,100 b/d compared with 121,600 b/d in June while Manitoba will take 9,462 b/d compared with 15,137.

Alberta Oil and Gas Conservation Board's allowables for July show Canadian refineries will take an estimated 240,000 b/d of light crude from Alberta.

Exports to the U. S. will total 78,200 b/d. This province's refineries will use an estimated 13,000 b/d of heavy crude oil.

Biggest U. S. purchaser is **General Petroleum Corp.** which has nominated 27,400 b/d for the refinery at Ferndale, Washington.

Shell Oil Co. has 20,200 b/d slated for its refinery at Anacortes, Wash.

Imperial Oil has nominated 72,800 b/d including 27,900 b/d for its Sarnia refinery. **B-A** has purchased 52,000 b/d for July.

Production allowables from 15 of Alberta's major fields for the month are:

Pembina, 86,254 b/d; Leduc Woodbend, 38,553; Redwater, 36,521; Joffre, 17,222; Fenn-Big Valley, 15,635; Bonnie Glen, 14,055; Sturgeon Lake South, 8,279; Wizard Lake, 6,534; Innisfail, 5,927; Keystone, 5,348; Acheson, 5,074; Stettler, 4,745; Harmattan-Elkton, 4,575; Golden Spike, 3,858; and Swan Hills, 3,817.

Average daily pipe line receipts for the week ending June 29 from 15 fields were as follows:

Pembina, 78,100 b/d; Redwater, 40,203; Leduc Woodbend, 38,983; Fenn-Big Valley, 17,662; Joffre, 16,419; Bonnie Glen, 15,291; Golden Spike, 12,172; Joarcam, 9,497; Sturgeon Lake South, 8,570; Innisfail, 5,930; Wizard Lake, 5,767; Stettler, 5,003; Swan Hills and Wainwright, each 4,000; and Kaybob, 3,187.

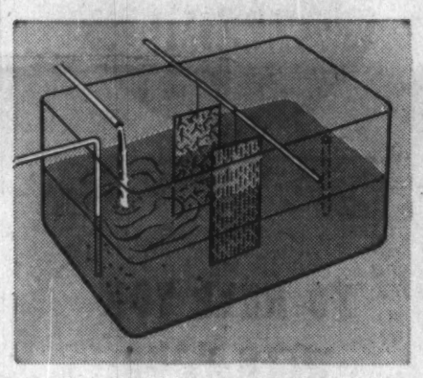
There were 8,861 wells capable of being operated during that week.

DOME PRODUCTION

Dome Mines produced gold bullion worth $481,699 in June ahead from $470,432 in the same month last year. Total of 59,400 tons was milled in the latest month for an average recovery of $8.11 per ton.

ARMCO *Creative engineering from* **ARMCO**

A report from the Head Office in Guelph on outwitting corrosion... microwave links... sheeting that takes a beating

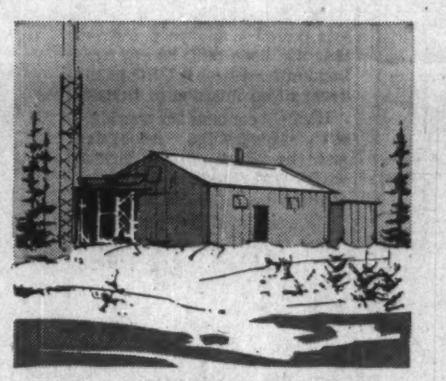


How Armco set a new standard of durability. The above sketch shows one of the tests used by Armco Engineers when they were developing a more durable coated pipe. A sheet of standard galvanized steel, and one of Armco ASBESTOS-BONDED® metal were suspended in a constantly moving stream of 10 to 15% sulphurous acid. After two months, the galvanized sample practically was destroyed. The Armco ASBESTOS-BONDED Metal was *completely unaffected!*

The Armco Engineers were given the job of creating ASBESTOS-BONDED Pipe because industry needed a structure that could withstand unusually severe corrosion. Here is the process. First, the base metal is galvanized. Then, while the zinc is still molten, a layer of asbestos felt is pressed in place. The millions of tough asbestos fibres are bonded for life as the zinc hardens. Next, the exposed fibres are saturant-sealed . . . and the sheets cooled, inspected, corrugated and formed into pipe. Then the final step . . . a complete hot-dip bituminous coating bonded to the metal.

The tests prove the ruggedness of ASBESTOS-BONDED Pipe. 1,560 hours at 95°F. in a 20% salt fog won't touch it. 2,000 to 3,000 hours in strong sulphuric or hydrochloric acid leave it as good as new.

Over 20 years of service have more than confirmed those early lab tests. And it proves that when Armco Engineers set out to make a product better . . . they create the best.

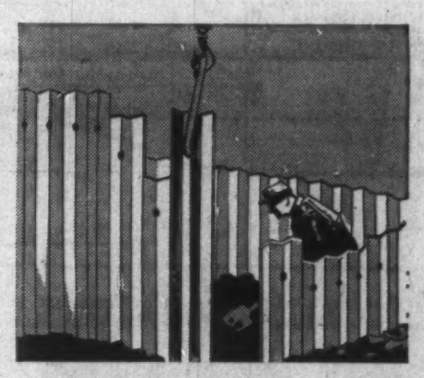


Armco solves a cold weather problem. The sub-zero temperatures of Canada's North are hard on delicate Micro-Wave equipment. The Defense Department, Railways and the Trans-Canada Telephone System were looking for buildings that would protect this equipment and keep it functioning in the most extreme weather.

Armco came up with the answer! Special Armco Steel Buildings were designed to meet these rigid standards. Incorporating our exclusive STEELOX Panel Armco created buildings with maximum structural strength to withstand heavy snow and wind loads. At the same time the buildings were completely weathertight, easily insulated to meet temperatures of –40° or withstand the threat of forest fires.

The buildings also had to be easily transportable to remote areas. The Armco Steel Buildings were light in weight, yet had the strength and rigidity to protect the micro-wave installations from the extreme weather conditions. Component parts could be transported by helicopter and the building rapidly put up on the site.

On the job these buildings have proven that Armco Creative Engineering can tackle and solve the most difficult problems. The service of Armco Creative Engineering is available to you. Let us show you how we can solve your building needs.



Why Armco punched a hole to cut construction costs. The little hole at the top of each piece of Armco Steel Sheeting means a lot to cost-conscious construction men. Why? Because that hole makes a lead-pipe cinch to pull the sheeting out of a completed excavation job. It can be reused time and again. There are cases on record where Armco Steel Sheeting has been used over a hundred times. And spreading the cost over *that* many jobs spells real economy!

But that isn't the main reason more and more contractors are specifying Armco Steel Sheeting. They know that in practically every type of trenching, shoring or cofferdam application, Armco Steel Sheeting gives maximum protection to their personnel. You see, every section of Armco Steel Sheeting has big, 2-inch deep corrugations. You get maximum strength with a minimum of weight. And remember, the strength of steel sheeting is uniform. There is no variation sheet to sheet, as with wood.

There are many more reasons that Contractors prefer Armco Steel Sheeting. For example, it can be driven into place before the excavation is even started. There are two types available . . . the flanged type for normal applications, and the interlocking type that gives a practically watertight joint. Armco-engineered Steel Sheeting drives into place easily, gives top protection to workmen . . . and because of that little hole up top, whips out like a charm. It's like all the Armco products . . . designed to do a better job for you.

For full information on these and other quality Armco Construction Products, write to Armco Drainage & Metal Products of Canada Ltd., Guelph, Ontario.

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Finance's Fantastic Fenston

Meet Felix Donovan Fenston, son of a China trader, the man who wants to move the Toronto Stock Exchange. He may change the pattern of downtown Toronto real estate . . .

By DONALD R. GORDON

LONDON, Eng. — The man who is proposing to build the new Toronto Stock Exchange Building—a 43,000 sq. ft. trading site to be handed over for $1 a year rent—has a beard, an artificial leg, a taste for big game hunting, a knowledge of Proust and a town house in London that once belonged to the Dukes of Devonshire.

He is Felix Donovan Fenston, 44, the son of a China trader who turned impresario, graduate of University of Ghent, veteran in the rough, tough world of British real estate for the last 17 years.

Along the way, friends and critics have described him variously as shrewd, perceptive, mysterious, determined, imaginative, rich, unorthodox and ambitious.

He knows his trade. In Britain alone, Fenston has been associated with developments worth an estimated $50 million since the war.

Big ticket jobs have included Navigation House, the headquarters of the P & O shipping lines; Petrofina House, on the South Bank in London; **British Petroleum** headquarters; the **Dunlop Rubber** building on the site of the storied St. James Theatre, and the 29-story Empress State building in Earls Court, one of the tallest in London.

Currently he's known to have substantial interests in at least 20 separate property companies (some estimates run as high as 36) plus his own contracting firm, **Kyle Stewart (Contractors) Ltd.**

Fenston holding companies include:

Aird Stewart Ltd.
Barranquilla Investments Ltd.
Balblair Property Co.
Bolsover Property Co.
Davidson Development Co.
Farnborough Investment Co.
Fenromer Property Investment Co.
Grand Building (Putney) Ltd.
Pemberton Properties Investments Co.
Porthos Properties Ltd.
P. Ryder Trading Co.
Rowland Ward Ltd.
Greycoat Place Investments Co.
Selney Properties Ltd.
Harding Street Property Investments Ltd.
Vardale Property Co.
Walton Investments Co.
Matthews (Blackfriars) Investments Ltd.
Alquife Investments Ltd.

All of them, at last report, are described as financially sound, capably managed and responsible — high praise in London's cautious financial world.

Overseas, Fenston is understood to have holdings or developments under way in **The Bahamas in addition to his current TSE proposal.**

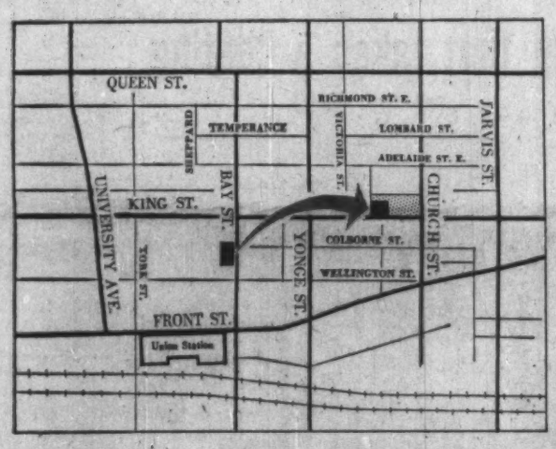
"I'm essentially in the business of property development," Fenston told FP. "And in this business nowadays, it's natural to contemplate an extension of our activities to various parts of the Commonwealth."

The TSE job is a good example of Fenston methods.

Under the terms of his offer — sod turning is due in October if approval comes through as expected — Fenston will pay $1.7 million to TSE for a property they hold on the corner of King and Church Streets (FP, May 30).

On it he proposes to build a two-stage building, one stage of three stories to house the stock exchange proper, the other a 12-story office building linked to it for brokers and other related firms. Then, as the wind-up, a 27-story section would be added at the east end of the property.

The stock exchange area — some 43,000 sq. ft. of space including the trading floor — would be furnished to TSE on $1 a year perpetual lease, the exchange to install its own equipment costing some $5 million and pay taxes, heating and maintenance costs. The balance of the space would remain in Fenston hands, to be managed by **Toronto General Trusts Corp.**



PROPOSED move of Toronto Stock Exchange to site east of Yonge St. could mean a shift for Toronto's financial area.

The scheme, result of a Toronto General Trusts' suggestion followed by two years' study by the Fenston group, adds up to an attractive proposition to both sides.

TSE gets its building plus a bonus of facilities and space immediately adjoining for associated enterprises. Fenston gets the TSE as a star attraction to lure long-term rentals to the large office building plus a chance to share in other developments that might spring up in the rejuvenated area.

Unlike other projects rumored for the site in the past, held by TSE since purchase from **Imperial Oil** three years ago, the Fenston proposal is understood to stand excellent chances of acceptance because of 1) the attraction of the "free" building shell; 2) the guarantee of suitable adjoining premises; 3) a Fenston offer to purchase the old TSE site on Bay St.; 4) imaginative design proposed by the Fenston architects, **Crang & Boake.**

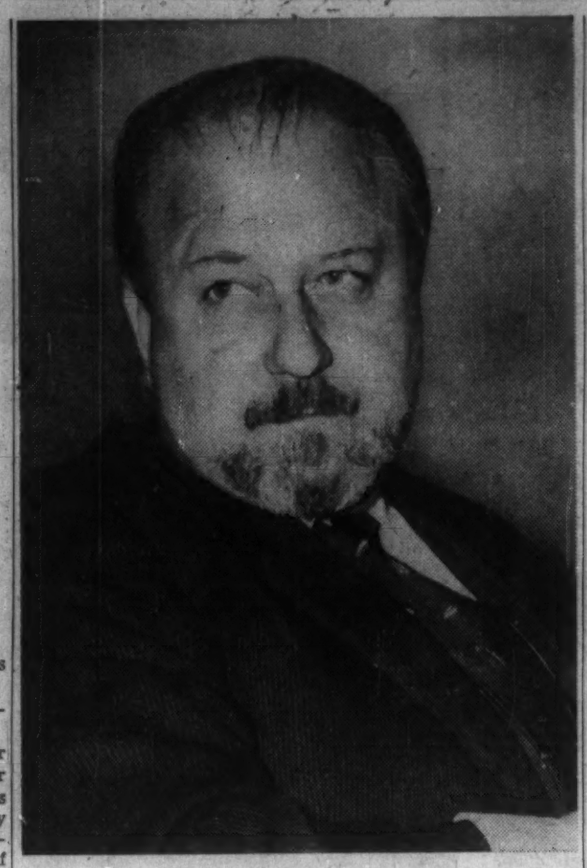
As for actual building, Fenston will not use his own construction firm. "For that matter, it will not necessarily be a U. K. firm at all, it depends on the bids secured," he says.

The mixture of business soundness and imagination involved in the TSE project is a fair description of Fenston himself, and his career to date.

He was born in London in 1915, the son of Joseph Fenston, a man whose accomplishments included a spell as a China Trader, orange shipper and manager of concert artists of the calibre of Mark Hambourg, Alfred Piccaver and Moiseivitch.

(Fenston senior also revived a production of "Chu Chin Chow" in London in 1940 with great success.)

Early school was a hodge-podge — prep schools in Belgium and Kent and then the fashionable King Edward's School at King's Lynn. After



FELIX FENSTON

that, while he was in his early teens, Fenston was set to serious study of the piano with a concert career in mind.

"I studied under Mabel Lander, but both Miss Lander and my father soon agreed that I was hopeless, so I went back to school," Fenston said, "to University of. Ghent to study French."

Leaving there at 18, Fenston took his first job with an estate agent in the Bayswater district of London.

"I immediately proved my worth by painting the sign outside," Fenston recalls. "And in the evenings for the next year I worked away at learning about the real estate business at night classes of the College of Estate Management. The course was supposed to run for four years, but the intricacies, I must confess, were well beyond me."

Then with the outbreak of war, Fenston joined the British Army Intelligence Corps, and was posted to a special fortress that had been built 30 mi. from London for use as a GHQ in the event of an invasion of Britain.

His field commander was Malcolm Muggeridge, celebrated later as editor of the British weekly, Punch, and a regular contributor to the BBC.

He was invalided out of the Army in 1943 after he had lost his left leg in a motor accident during a field exercise.

"I was a year in hospital and then they invalided me out of the Army," Fenston said. "And so, after a time, I started out in real estate again, on my own.

"My first deal was a shoe repairer's shop in Watford. I improved the property and then rented it back to the shoe repairer on a long lease at a slightly higher rent. I've been doing much the same sort of thing ever since."

That's his answer too when you ask him about his methods in present-day million dollar developments. "You buy a property and enhance its value according to prevailing circumstances by improving it, building on it or by creating new demands for it. Then you secure its future by letting it on a long-term basis to gilt-edged tenants, in whole or part."

But it has not all been buying and selling.

Limiting his working year to eight months, often catching odd weeks in between, Fenston has earned a considerable reputation as a big game hunter (with a full array of trophies in his London home), athlete (squash, underwater fishing — highly skilled despite the missing leg) and historian.

An inveterate traveler, he usually manages visits to India, Africa and North America once or twice a year.

And in between, he has found time to be associated with enterprises such as the controversial Project Mayflower and to undertake a running duel with actress Vivien Leigh over the future of the St. James Theatre (he won — the theatre was torn down).

At 44, he is by all reports independently wealthy but has no intention of retiring for some considerable time.

"I'd like to cut that working year down to four months," he concluded, "but I'll probably always have a hand in developments of one kind or another. Business is an enjoyable thing for itself, and it enhances recreations by providing them with a setting."

Prospects in Canada? "The TSE development for now. I'm looking around, of course, but have no other plans in the factual stage at the moment."

Captains Say Ottawa Cold To Churchill Port Beefs

Ship captains and agents feel their complaints about conditions at the Hudson Bay port of Churchill have been "cold-shouldered" by local and Ottawa authorities.

The Baltic and International Maritime Conference says in a circular that Churchill is getting a "bad reputation in international shipping circles as a grain loading port" (FP, Nov. 29, 1958).

Complaints:

- **Delays in getting berths.**
- **Loss of demurrage rights** because port officials fail to board vessels at the anchorage to issue the necessary documents.

"In the interests of efficiency, and in order to combat waste of time, means should be found for the port warden and inspectors to board vessels when at anchor," the conference circular states.

"It should be stressed emphatically that at many grain loading ports of the world vessels arrive fitted out for grain or have grain fittings erected while at anchor, and the vessels may have their holds and grain fittings passed while at anchor.

"That should definitely be the policy of any modern and progressive port."

The National Harbors Board says the custom of the port is dictated by its geographic position, shortness of its operating season, weather and other conditions. Vessel owners and charterers fail to make mutually satisfactory arrangements to meet these conditions.

The board said that only 10 vessels out of 55 calling at the port in 1958 were in port more than four days and foul weather delaying ship arrivals caused the congestion in the case of seven of these 10.

The shipowners hold facilities are inadequate to accommodate without delay all vessels arriving to load the wheat which the Canadian Wheat Board wants to ship by Churchill.

It is only fair that the shippers assume the risk of delay and payment of any demurrage which becomes due as a consequence, the owners say.

This could be accomplished by a new clause in charter parties, or by having port officials board vessels and perform the necessary formalities on the vessels' arrival at anchorage.

PACKAGING CONTEST

Consumer packages designed in U. S. and other countries outside Canada may be entered for the first time in the 1959 Canadian Package Design Council's annual competition, Nov. 3-5 in Toronto. The competition will be held in conjunction with the Canadian National Packaging Exposition.

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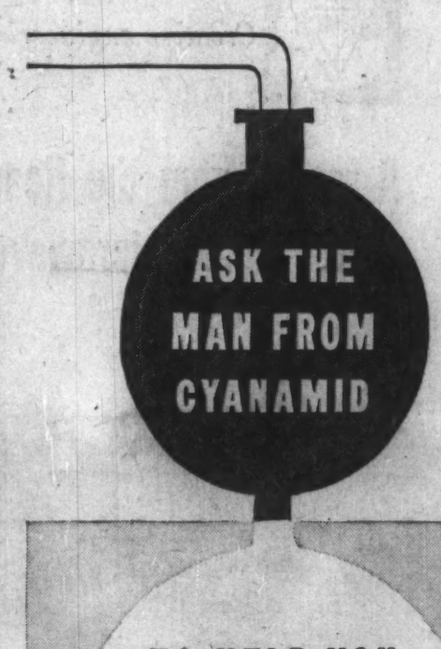

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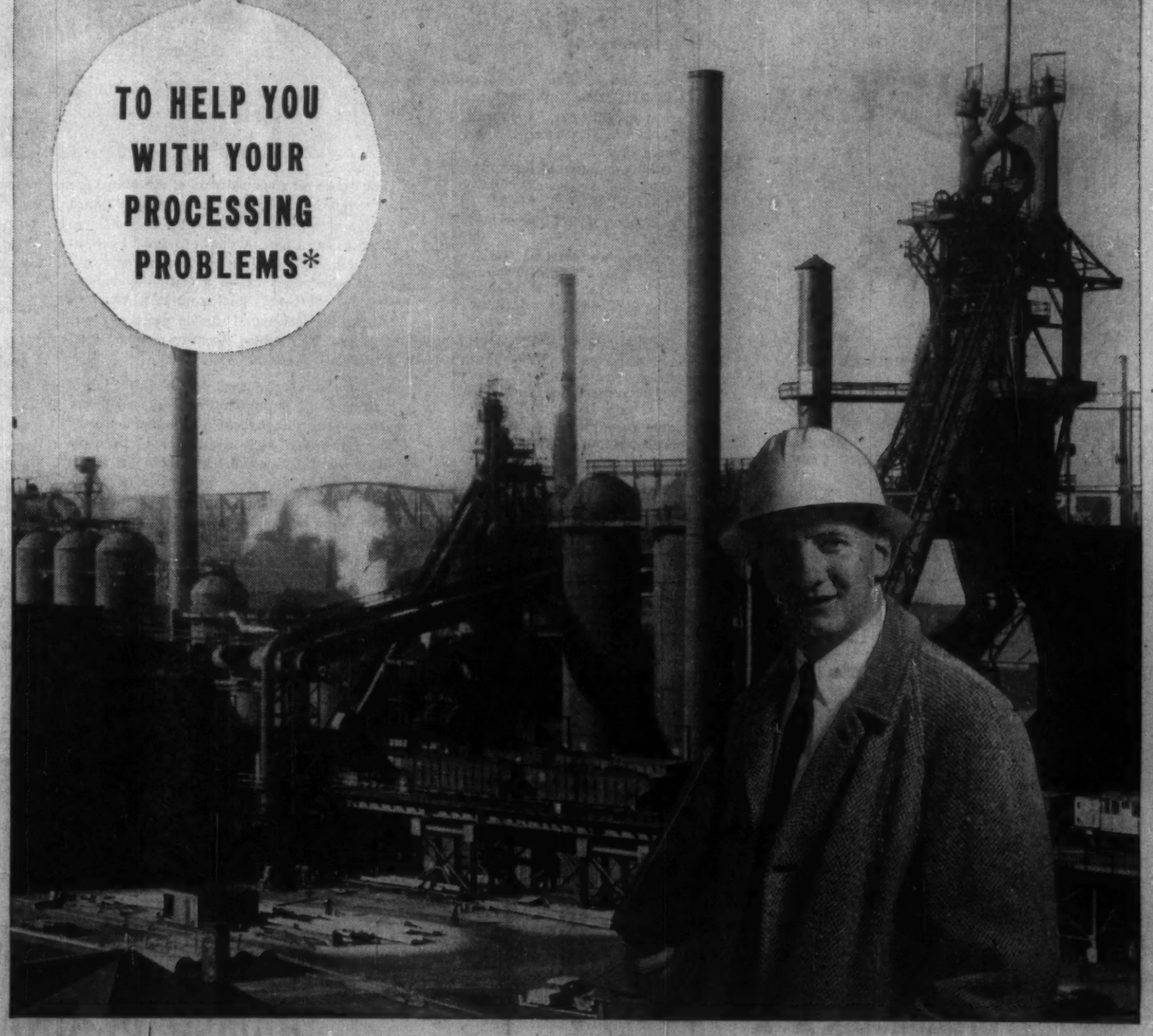

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